



**Monday, November 7, 2022  
REGULAR MEETING**

**YCS Board of Education Meeting | YCS Central Office | 1885 Packard Road | Ypsilanti, MI 48197 |  
734.221.1230  
6:30 p.m.**

**1. CALL TO ORDER & ROLL CALL OF BOARD MEMBERS PRESENT: Dr. Celeste Hawkins, Board President**

A. Roll Call of Board of Education Members

**2. PLEDGE OF ALLEGIANCE: Dr. Celeste Hawkins, Board President**

A. Pledge of Allegiance

**3. ACCEPTANCE OF AGENDA**

A. Acceptance of Amended Agenda

**4. ACHIEVEMENTS, AWARDS & RECOGNITION**

A. COGNIA Recognition

B. Ypsilanti Connected Community School Points of Pride

**5. PUBLIC COMMENTS #1**

A. Guidelines for Public Comment

**6. PRESENTATIONS**

A. Head Start Training - Erin Bradley

B. Talent Management - Class Sizes, Staffing, and Enrollment - Sue McCarty

**7. CONSENT AGENDA**

A. Consent Agenda

**8. REQUEST FOR CLOSED SESSION**

A. Request for Closed Session- Pursuant to Sections 8(f) of the Open Meetings Act to review and consider the content of an application for employment

**9. RETURN TO OPEN SESSION**

A. Reconvene to Open Session

**10. ACTION ITEM: Human Resources**

A. Potential New Hire: Approval of Employment

B. Consideration of Revision to Superintendent Contract

**11. ACTION ITEMS: Business and Finance**

A. Great Start Readiness Program (GSRP) Contract for 2022-2023

B. Adoption of Summer Tax Resolution, 2023 Tax Year

C. Acceptance of the Explorer Club at Chapelle Leases

D. Acceptance of the Our House Lease

**12. PUBLIC COMMENTS #2**

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A. Guidelines for Public Comment

**13. BOARD/SUPERINTENDENT COMMENTS**

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A. Board/Superintendent Comments

**14. ADJOURNMENT OF MEETING**

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A. Adjournment of Meeting

## **YPSI Connected Community School – Seven Points of Pride**

YPSI Connected is a unique learning environment that provides a safe place to learn for students who need a non-traditional setting to be successful. YPSI Connected is a safe and positive atmosphere, online, to aid in the success and celebration of students and their differences. We are a place for everyone! Acceptance of all learners. We understand students learn best when they are comfortable.

At YPSI Connected we have the essentials to learning; relationships. We are devoted to giving our students a quality education and care about their emotional well-being. We strive to produce a community of learners, even though we are mostly virtual.

YPSI Connected prides itself on collaborating with our learning partners; families. Our live instruction format allows for a much closer working relationship among caregivers, teachers and students. We are in their homes daily which provides opportunities to interact, problem solve and learn together about their child. This interaction allows us to be more effective in educating their child.

At YPSI Connected we pride ourselves on providing personalized learning experiences. Students have a choice in selecting learning opportunities of interest to them. Our students are learning sign language, gaming design, coding, Spanish, art, and physical fitness. Our students are engaged in their learning process.

YPSI Connected is proud to model how blended learning can support students' academic success. We offer in-person learning opportunities at every grade level throughout the school year. Our in-person instruction is hands-on and project based which has included launching rockets, supporting the bee population, health & fitness activities, and field trips to a farm and the State Capital Building.

At YPSI Connected our middle grade students are participating in class discussions that encourage them to ask critical questions about issues going on all over the world today while comparing these issues to what took place in the past. This supports the development and understanding of what it means to be a culturally responsive citizen.

YPSI Connected Community School is proud of the fact that we exist! We took what we learned during the pandemic to create an innovative learning option for the Ypsilanti community. We are in existence because a group of educators, community members, students, and caregivers voiced a need. We are so proud to be part of a school district that focuses on the needs of the community. We are in our second year and could not be prouder!

# Ypsilanti Community Schools Board of Education **Head Start Annual Training**

November 7, 2022



# 1301.5 Training

An agency must provide appropriate training and technical assistance or orientation to the governing body... including training on program performance standards and training indicated in 1302.12(m) to ensure that members understand the information they receive and can effectively oversee and participate in the programs in the Head Start agency.



# 1302.12(m) Training on Eligibility

A program must train all governing body... on applicable federal regulations and program policies and procedures... within 180 days of the beginning of the term of a new governing body.



# Training Objectives

- Review the Head Start structure
- Understand the overall mission and purpose of Head Start
- Review the basics of the Governing Body, Policy Committee, and Parent Committee responsibilities in Head Start
- Receive updates on Head Start





# Mission of Head Start

- Promote the school readiness of young children from low-income families by enhancing their cognitive, social, and emotional development.
  - Does not follow a one-size-fits-all approach
  - Commitment to children and their families
  - “Whole Child” approach
  - Growth mindset



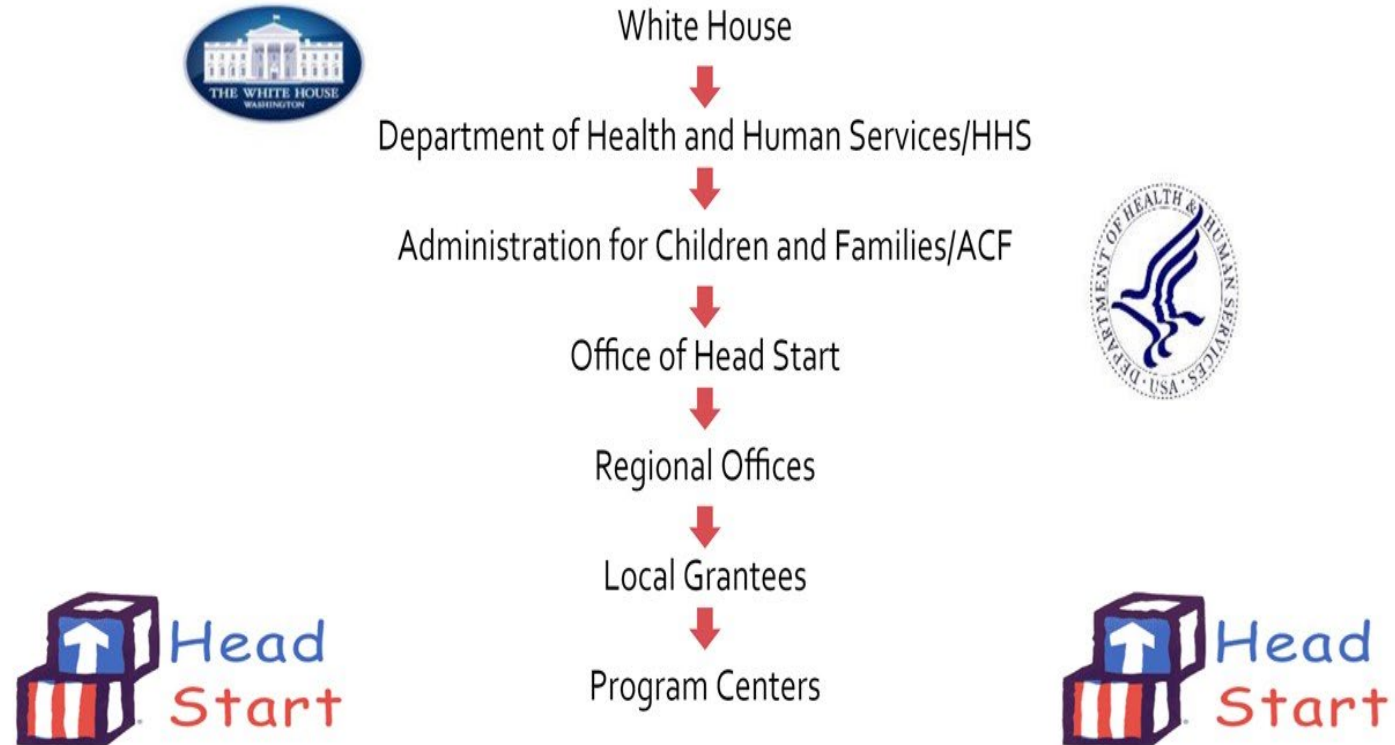
# Head Start Basics

- Head Start in operation since 1965
  - *It was the nation's first system of early learning!*
- Early Head Start in operation since 1995
- Federally funded
- Comprehensive services to more than 1 million children each year

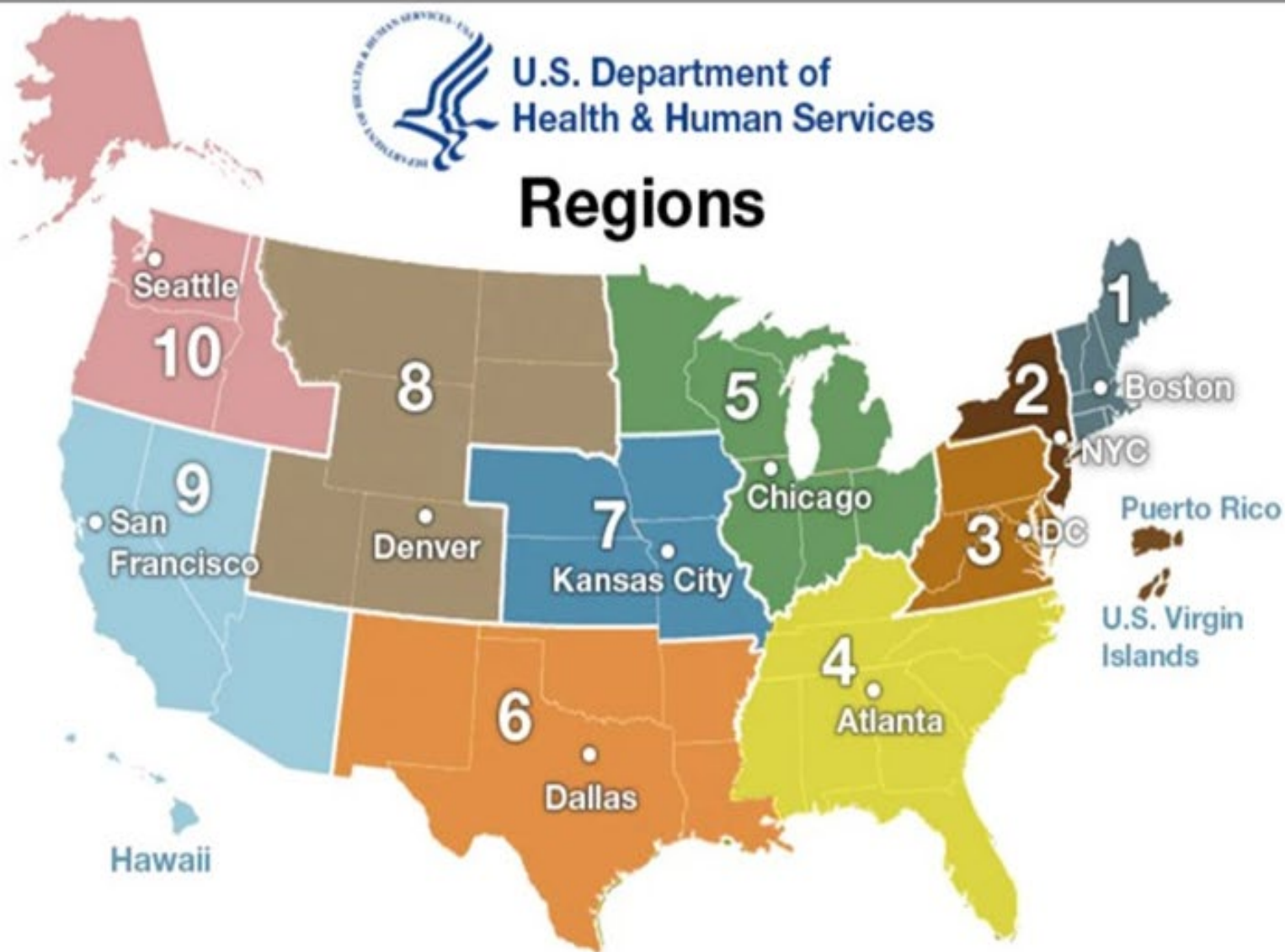


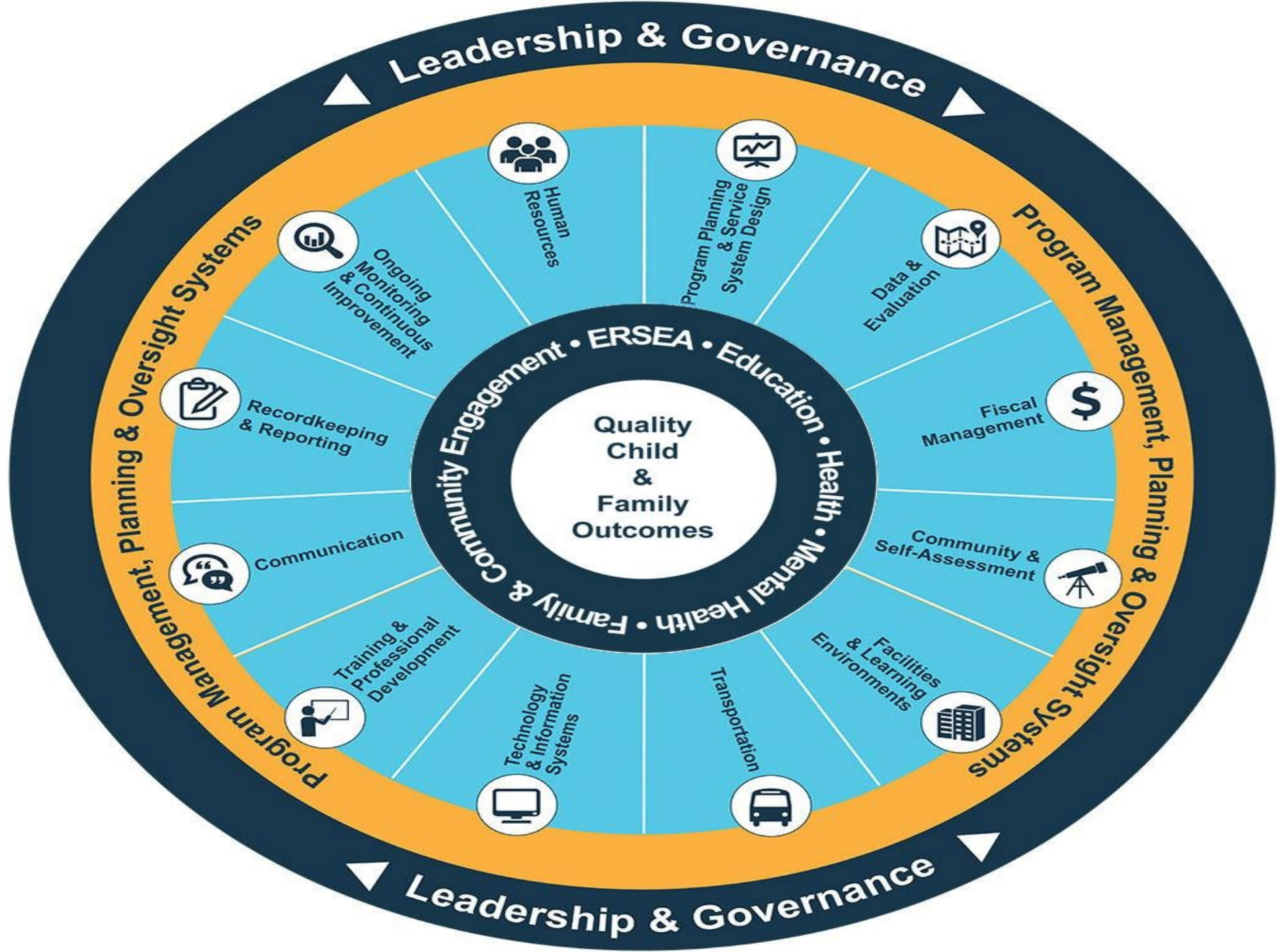
# Head Start Administration

## Who runs Head Start?



# Head Start Across America





# Head Start Comprehensive Services

Provided to children ages three to five at YCS

Services must include:

- Child development and education
- Child health and safety
- Family engagement/parent involvement
- Nutrition services
- Prenatal health care and screening
- Mental health services
- Services to children with disabilities (10% of funded enrollment required)



# Governing Board

- Has legal and fiscal responsibility for administering and overseeing the program, including the safeguarding of Federal funds
- Ensures active, independent, informed governance and as recommended by the Office of Head Start; fully participates in the planning, oversight, and strategic direction of the Head Start program
- Publicly elected body at YCS



# Policy Committee

- Required component of Head Start program governance
- Involved in the program's decision making structure and process
- Comprised of parent and community representatives, elected from each of YCS Head Start sites
- Provide valuable feedback on recruitment, personnel policies, hiring, budget, and all services provided to children and families
- Fosters parent leadership, advocacy, and empowerment





# Parent Committees

- Required to meet at each Head Start site
- Parent education is provided on a variety of child development, parenting, and self-sufficiency topics
- Parents help to plan parent/child activities held at the center and in the program
- Provide input and feedback for Policy Committee Members to represent their interests and needs



# Head Start Performance Standards



- Clear road map for grant recipients to support high-quality Head Start and Early Head Start services and to strengthen outcomes for children and families
- Focuses on outcomes
- Overall structure of the HSPPS:
  - Program Governance (1301)
  - Program Operations (1302)
  - Financial and Administrative Requirements (1303)
  - Federal Administrative Procedures (1304)
  - Definitions (1305)

# Head Start Early Learning Outcomes Framework (HSELOF)

- Describes the skills, behaviors, and knowledge that programs must foster in all children
- Guides programs in decision-making related to curriculum, assessment, quality improvement, and implementing evidence-based teaching practices that promote strong positive child outcomes



# PARENT HANDBOOK

- Includes required policies and procedures
- Outlines selection criteria
- Describes complaint procedures



A young girl with blonde hair, wearing a dark blue police uniform and a matching cap with a badge, is sitting in the driver's seat of a car. She is looking out the window with a slight smile. The car's interior, including the steering wheel and dashboard, is visible. The background shows a bright, sunny day outside.

# PROGRAM INFORMATION REPORT (PIR)



# Points of Pride

- Face to face service delivery
- Health Expo
- Beatty- parents hired/CDA program
- Return to full enrollment plan
- Scheduled monthly PD

A child and an adult are standing on a balcony at night, looking up at a starry sky. The balcony railing is decorated with colorful paper lanterns and greenery. The child is wearing a yellow shirt and blue pants, and the adult is wearing a purple sweater and blue skirt. The sky is dark blue with many bright stars and some larger, glowing star-like objects. The overall scene is peaceful and celebratory.

# Thank you!

Without your support, we would not be able to provide high quality early childhood experiences to the children and families of Ypsilanti Community Schools.



# YCS Student Enrollment, & Staffing

November 7, 2022

# Staffing

November 2022



# WINS!

**67 New  
Teachers  
Hired**

**\$1000  
Signing  
Bonus**

**EL  
Enrollment  
up by 73**

**\$2500 for  
Highly  
Effective  
Evaluation**

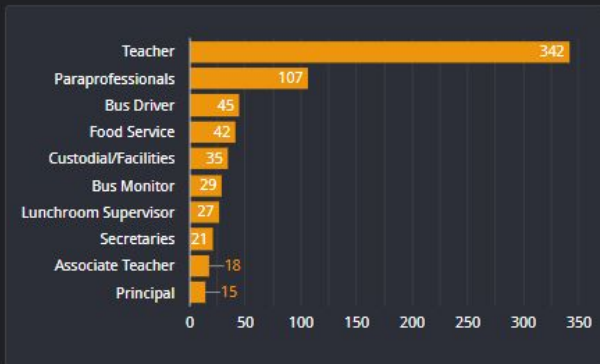
**K-1 Spanish  
Immersion  
Classrooms**

**Newcomer  
Classrooms**

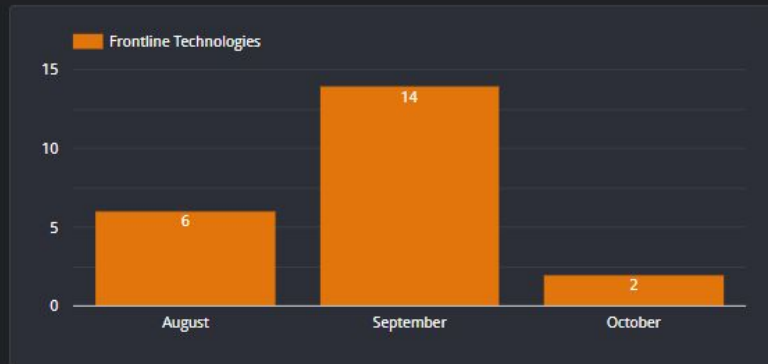
# Human Resources Dashboard

## HR Dashboard Reports

Employee Count by Type



Recruitment Efforts



Active Staff

703

Aug 29, 2022 - Oct 18, 2022

















<b>School</b>	<b>Vacancies</b>
Beatty	1 Lead Teacher 1 Associate
Ford	1 Associate Teacher
Holmes	1 Emotionally Impaired
YIES	1 First Grade 1 Fifth Grade
Erickson	1 31a Social Worker
Estabrook	1 Early Childhood Special Education 1 Special Education Social Worker 1 Reading Interventionist
Perry	1 Lead Preschool Teachers 2 Associate Teachers 1 Physical Education 1 Lead Teacher

School	Vacancies
YCMS	2 Math Teachers 2 Teacher Consultants 2 Cross Categorical 1 ELA 1 Health 2 Special Education Social Workers 1 31a Social Worker
YCHS	2 Guidance Counselors 4 Teacher Consultants 1 SPED Social Worker 1 Art 1 Spanish
YC2S	1 Third
ACCE	1 Math 1 Science 1 ELA 1 Counselor 1 Special Education Social Worker

*Paraprofessionals are needed in all buildings.*













# Student Enrollment

November 2022

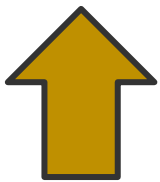
School	2021-22	2022-23	Enrollment Changes
Beatty	115	108	 -7
Ford	277	296	 +19
YC2S	231	125	 -106
Holmes	235	267	 +32
YIES	326	357	 +31
Erickson	266	267	 +1
Estabrook	246	283	 +37
Perry	360	364	 +4
WIMA	191	192	 +1
YCMS	410	460	 +50
YCHS	551	562	 +11
ACCE	184		 -25
Other	146		 +132
<b>Total</b>	<b>3538</b>		 +180

**UPDATE!!!**  
 As of 11/4/2022  
 Total Enrollment is  
 up by an additional  
 53 students to 3771

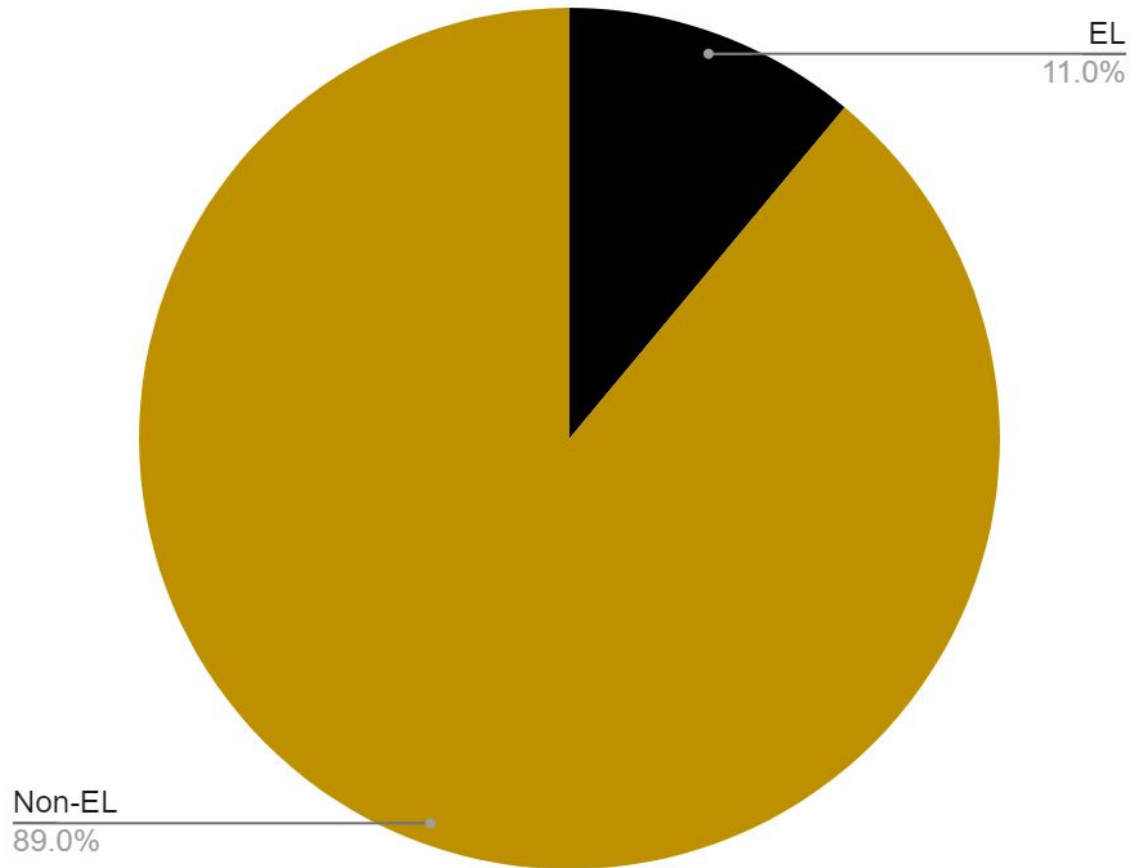
# English Learners By Building

School	2021-2022	2022-2023	Enrollment Changes
Beatty	0	0	0
Ford	12	23	 +11
Perry	35	28	 -7
Erickson	32	23	 -9
Estabrook	54	74	 +20
Holmes	20	22	 +2
YC2S	0	3	 +3
YCMS	56	72	 +16
ACCE	0	2	 +2
YCHS	87	121	 +34
WIMA	0	3	 +3
YIES	11	9	 -2
<b>Total</b>	<b>307</b>	<b>380</b>	 <b>+73</b>

# YCS English Learners



EL Enrollment  
increased by 73  
students for 22-23





# GSRP/Head Start Counts

<b>Pre-School</b>	<b>Counts</b>
Ford (Head Start/GSRP)	105
Perry (Head Start/GSRP)	104
Beatty (Head Start)	108
Total	317

# Current Contract Class Sizes

<b>Grade</b>	<b>Per Negotiated CBA</b>
Kindergarten	25
1st Grade	28
2nd Grade	28
3rd Grade	32
4th Grade	32
5th Grade	32
6th Grade	32
7th Grade	32
8th Grade	32

# Current Contract Class Sizes

<b>Grade</b>	<b>Per Negotiated CBA</b>
ACCE	16
AC Tech	32
STEMM	32

# Recruitment

- Talent Management Committee
- SEEK
- LEAP
- District Website
- EMU Paraprofessional Program
- Proud Michigan Educators
- YCS Virtual Career Fairs
- YCS In-Person Career Fairs
- YCS In-District Email
- MASA and affiliates



# Recruitment

- Blackjobs.com
- Facebook
- Indeed
- M Arc (University of Michigan)
- Teach for America
- Teachers of Tomorrow
- Handshake
- Frontline
- Michigan Works



# Retention-Recognition

- Professional Development
- \$1,000 Stipend
- \$1,500 or \$2,500 for Effective/Highly Effective (SEEK)
- Mentoring Program
- Sunshine Committee Activities
- Grizzly Awards Ceremony
- Learning Focus Partners
- Curriculum Support
- Instructional and Culture Climate Coach support

# Retention - Incentives

## *Incentives*

- Employee Referral Plan
- Attendance at Community Events

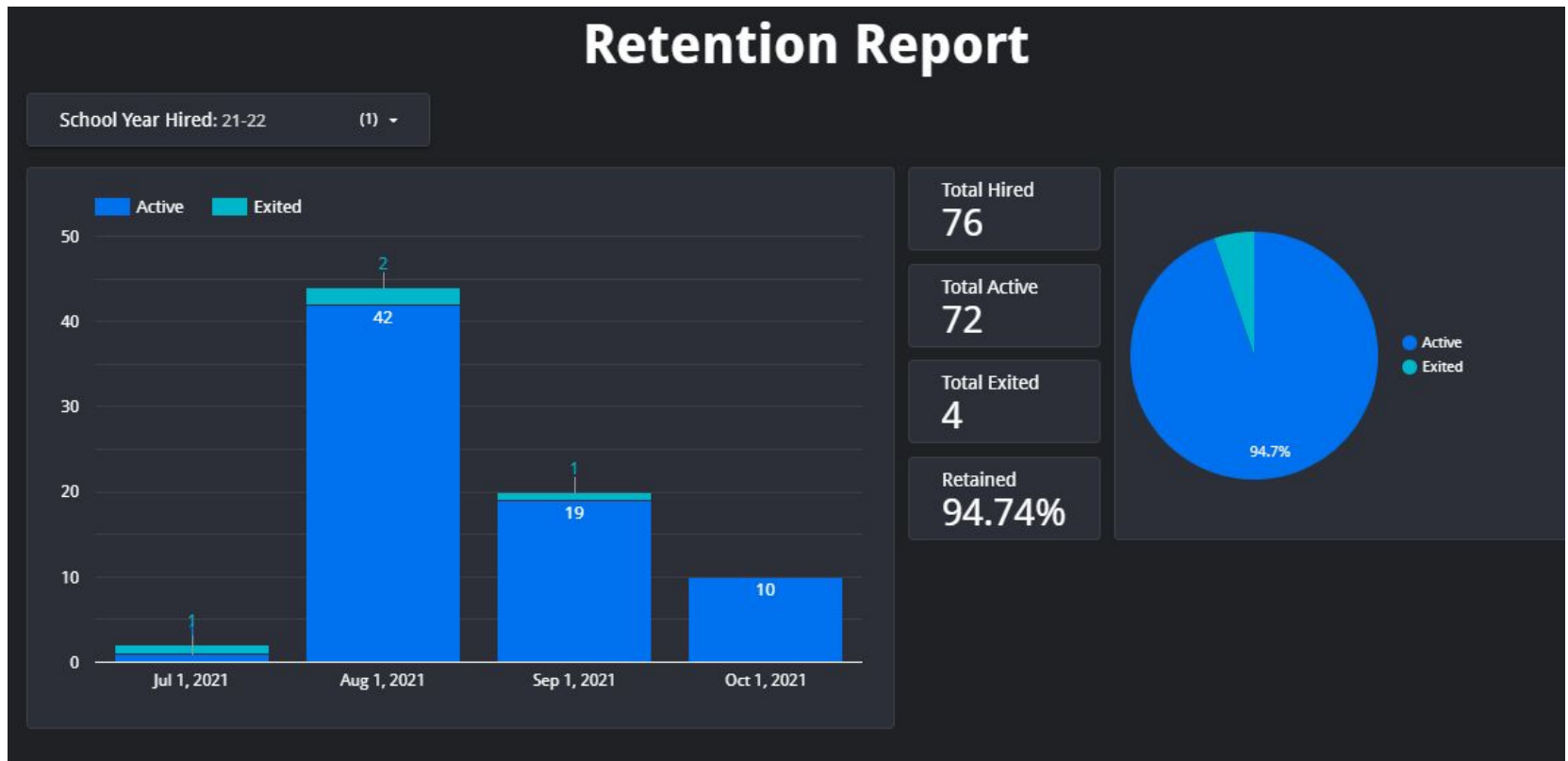


# Statistics for **Retention** During the 2022-23 School Year

November 2022



# Retention Report



***What Questions Might You Have?***

## **REGULAR MEETING (Monday, October 10, 2022)**

### **Members present**

Dr Celeste Hawkins, Gillian Ream Gainsley, Sharon Lee, Meredith Schindler, Yvonne Fields, Maria Goodrich, Jeanice Townsend

### **Meeting called to order at 6:33 PM**

1. CALL TO ORDER & ROLL CALL OF BOARD MEMBERS PRESENT: Dr. Celeste Hawkins, Board President

Action: A. Roll Call of Board of Education Members

2. PLEDGE OF ALLEGIANCE: Dr. Celeste Hawkins, Board President

3. ACCEPTANCE OF AGENDA

Action: A. Acceptance of Agenda

... MOVE THAT the Board of Education accept the agenda, as presented.

Motion by Meredith Schindler, second by Sharon Lee.

Final Resolution: Motion Carries

Aye: Dr Celeste Hawkins, Gillian Ream Gainsley, Sharon Lee, Meredith Schindler, Yvonne Fields, Maria Goodrich, Jeanice Townsend

4. ACHIEVEMENTS, AWARDS & RECOGNITION

Recognition: A. Holmes Elementary School Points of Pride

The YCS Board of Education is excited to share wonderful things that are happening in our schools by reading our school's points of pride. Today's school is Holmes Elementary School.

Click [here](#) to view the points of pride.

Principal Greg Anglin, staff - Jamie LaGoe and Debbie Swanson, and 3 students - 4th grader Kathy Runt, 5th grader Oryah Carter and 5th grader Paris Lewis read the points of pride.

Recognition: B. 2022-23 Member of the Michigan Teacher Leadership Collaborative

Michigan Teacher Leadership Collaborative Names 20 Highly Effective, Equity-Focused Educators From Across the State to its 2022-23 Cohort and Ypsilanti Community Schools is the home of one of those teachers, Rhoshawda Miller of Perry Early Learning Center & Erickson Elementary. The Education Trust-Midwest and Teach Plus have named twenty equity-focused educators from around Michigan as members of its highly selective teacher leadership collaborative where educators will share their expertise around equity-focused instructional practices, deepen their knowledge of education policy, and gain a voice in decisions that affect historically underserved students and the teaching profession.

Congratulations to Ms. Miller for this distinguished honor. You make Ypsilanti Community Schools and Perry Early Learning Center and Erickson Elementary School proud!

Recognition: C. National Custodial Day - October 2nd

National Custodian Day is commemorated every year on October 2nd.

Custodians are the people who keep schools and workplaces clean and running smoothly, and they work very hard to do so, so they certainly deserve a day in their honor. Custodial work can be a tireless and thankless job, leading to custodians often being overlooked and not getting the recognition they deserve.

The origins of this unofficial holiday are unknown, although the day was added to The Chase Calendar of Events in 1995/96, but has become more widely recognized and celebrated in recent years. Someone recognized the need to create a day that celebrates the work of custodians, who keep buildings, businesses, and schools well maintained, often working long night shifts and performing physically demanding tasks. Since we don't always see them at work, it is easy to forget that real people are keeping our workspace clean when we're not there. This day serves as a reminder to everyone that custodians everywhere need to be appreciated.

2019 saw the start of the global coronavirus pandemic, COVID-19. Custodians' jobs became more important than ever at this point, needing to be extra diligent in keeping public spaces safely sanitized. This only highlighted how essential custodians are in our day-to-day lives.

Custodians might also be known to many as Janitors or Caretakers, particularly in schools. Their role is diverse and they do so much more than just clean, they also perform building maintenance and fix anything that is broken. Without them, buildings would fall in disarray, people wouldn't be able to do their jobs and students wouldn't have a good, safe, and clean learning environment.

Custodial work is often looked down on, but they are the oil that keeps the machine running.

To show appreciation for the custodians at work or school, make sure that you are tidy and keep your workplace as clean as possible, to make the custodians' job no harder than it has to be. Let National Custodian Day be a reminder to pay more attention to the little details around, the well-stocked bathroom and organized break room cupboards, and remember someone has done that for you.

At Ypsilanti Community Schools we honor, respect, and value our custodial staff. Thank you for all that you do for our students, staff, and community!

Recognition: D. National School Bus Safety Week - October 17-21

National School Bus Safety Week is October 17 - 21.

Held during the third full week of October each year, National School Bus Safety Week is an active and evolving public education program and an excellent way for parents, students, teachers, motorists, school bus operators, school administrators, and other interested parties - to join forces and address the importance of school bus safety. Designed to promote school bus safety, school districts throughout the country observe School Bus Safety Week.

At Ypsilanti Community Schools we honor, respect, and value our transportation staff. Thank you for all that you do for our students, staff, and community!

Recognition: E. October is Recognized as National Principals Month  
Celebrating the principalship nationwide

National Principals Month Each October, National Principals Month recognizes the essential role that principals play in making a school great.

Principals are among the hardest working, yet often least recognized individuals in education. Principals set the academic tone for their schools, and it is their vision, dedication, and determination that provide the mobilizing force for achieving student success. Each October, NASSP, NAESP, and AFSA seek to honor these unsung heroes for their tireless efforts in pursuit of excellence in education.

National Principals Month is a widely recognized celebration of the principalship, marked by national and state resolutions supporting the event, as well as acknowledgments from U.S. Senators and Representatives, and top government officials. However, the most important National Principals Month celebrations are the ones that take place in schools and communities across the country.

At Ypsilanti Community Schools we honor, respect, and value our Building Administrators. Thank you for all that you do for our students, staff, and community!

[Click here](#) to view the resolution.

#### 5. ACTION ITEM: OTHER

Action: A. Acceptance of National Principals Month Resolution

Seeking the Board of Education approval to approve the National Principals Month Resolution, as presented.

Trustee Townsend read the resolution.

[Click here](#) to view the resolution.

... MOVE THAT the Board of Education approve the National Principals Month Resolution as presented.

Motion by Jeanice Townsend, second by Yvonne Fields.

Final Resolution: Motion Carries

Aye: Dr Celeste Hawkins, Gillian Ream Gainsley, Sharon Lee, Meredith Schindler, Yvonne Fields, Maria Goodrich, Jeanice Townsend

#### 6. PRESENTATIONS

Presentation: A. Presentation of 2021-22 Financial Audit Report: Yeo and Yeo

Ypsilanti Community Schools Director of Business Services and Finance, Priya Nayak, has been working with the District's auditors to complete the 2021-22 Financial Audit. Members from Yeo and Yeo will give an overview presentation to the Board.

[Click here](#) to view the presentation.

Timothy Crosson, Jr. from Yeo and Yeo made a presentation to the board.

Presentation: B. 98c Learning Loss Prevention Plan

The Assistant Superintendent, Dr. Carlos Lopez, will present on the district's 98c Learning Loss Prevention Plan.

[Click here](#) to view the learning loss plan.

[Click here](#) to view the learning loss presentation.

Presentation: C. Annual 2022 Facilities Update

This is the Annual 2022 Facilities Update presentation presented by Ypsilanti Community Schools' Director of District Operations, Mr. Aaron Rose.

[Click here](#) to view the facilities presentation.

**Trustee Gainsley:** Pool timeline? **Rose:** Demolish starts on October 17th with a three-week demo. After that, we will start reconstruction so we are hoping for the spring of 2023.

**Trustee Townsend:** Can the sinking fund be renewed? **Rose:** Yes. We have a plan to go back to the voters after the 10 years to hopefully renew it. **Trustee Townsend:** There are before and after photos of all the project? **Rose:** Absolutely. They are all captured in our shared document to add to the campaign.

**Trustee Fields:** What do the different colors indict? **Rose:** Some of the 22 buildings that the district owes do not have any instruction going on in them so we need to decide what to do with them.

**Dr. Hawkins:** Is the work order system working well? **Rose:** Yes. Very well. Thank you.

#### 7. PUBLIC COMMENTS #1

Information: A. Guidelines for Public Comment

Public Comment Protocol | Pursuant to Board of Education Policy 0167.3

\*The Board recognizes the value of public comment on educational issues and the importance of allowing members of the public to express their view.

\*Please limit statements to three (3) minutes duration.

\*Participants shall direct all comments to the Board and not to staff or other participants; no person may address or question Board members individually.

\*Remarks shall be made in a respectful and professional manner.

No public comments.

#### 8. CONSENT AGENDA

Action (Consent), Minutes, Report: A. Consent Agenda

Seeking Board approval of the presented meeting minutes and personnel matters; see attachments below.

... MOVE THAT the Board of Education approve the:

1) September 26, 2022, Regular Board Meeting [Minutes](#)

2) [Personnel matters](#) as per the presented list dated 10/6/22; New Hires and Resignations.

Motion by Gillian Ream Gainsley, second by Yvonne Fields.

Final Resolution: Motion Carries

Aye: Dr Celeste Hawkins, Gillian Ream Gainsley, Sharon Lee, Meredith Schindler, Yvonne Fields, Maria Goodrich, Jeanice Townsend

## 9. DISCUSSIONS

Discussion: A. Board of Education Meeting Calendar Discussion

The October 24th meeting would be canceled. There would be one board meeting in November and one in December (that would be the superintendent and board of education evaluations).

**Trustee Schindler:** The December 5th meeting would move to December 12th.

**Trustee Lee:** Would the meeting on December 12th be at 5:30 p.m.?

**Dr. Zachery-Ross:** Mary Kerwin just wants the meeting to be the evaluations and no mixing of topics.

**Dr. Hawkins:** If the board approves the changes, we will look at the topics and move some of them around to other meetings.

**Trustee Lee:** I'm in agreement.

**Dr. Hawkins:** We looked at October 24th and realized it was a lot for many of the board to come back from the conference that was all weekend.

All agreed.

**Dr. Hawkins:** In summary: the October 24th meeting is canceled, the November meeting will be held on November 7th and the December meeting will be held on December 12th which will be the superintendent evaluation and the board self-assessment.

## 10. ACTION ITEM: Business and Finance

Action, Report: A. 2021-22 Annual Financial Audit Report: Priya Nayak, Director of Business and Finance

Yeo and Yeo, an independent accounting firm has audited our financial statements for the fiscal year 2021-22. The audited financial statements and single audit act compliance report for the year-end June 30, 2022, can be found under our October 10th Regular meeting link on our website after this Board meeting.

Click [here](#) for the Yeo and Yeo letter.

... MOVE THAT the Board of Education accept the audit report for the fiscal year ended June 30, 2022, as audited by an independent firm, Yeo and Yeo.

Motion by Jeanice Townsend, second by Sharon Lee.

Final Resolution: Motion Carries

Aye: Dr Celeste Hawkins, Gillian Ream Gainsley, Sharon Lee, Meredith Schindler, Yvonne Fields, Maria Goodrich, Jeanice Townsend

## 11. PUBLIC COMMENTS #2

Information: A. Guidelines for Public Comment

Public Comment Protocol | Pursuant to Board of Education Policy 0167.3

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\*Remarks shall be made in a respectful and professional manner.

No public comments.

## 12. BOARD/SUPERINTENDENT COMMENTS

**Trustee Fields:** Homecoming was nice. Ann Arbor MLive puts out a list for player of the week. This week there is a player from Ypsilanti and you can vote as many times as you want so please vote for our football player, Jeremiah Woods.

**Trustee Goodrich:** Trustee Townsend and I attended the MASB Region 7 priority-setting legislature meeting on October 3rd at the WISD. Devos backed Let MI Kids Learn initiative is being talked about and they are trying to make legislators and districts aware of the impact it could have. Equity funding, competition between districts for staff and how disruptive that is and how to work to solve it with more equitable pay and increasing the pipeline.

**Trustee Townsend:** Washtenaw Area School Board executive meeting on October 6th at the WISD. Discussed being proactive regarding what all of the districts need. PDs on advocacy training. Calendar for legislative breakfasts, working on by-laws. Advocate for teacher shortages throughout the county, enrollment, and proper equity of funding. Homecoming was great. Also, celebrated my 30th reunion all weekend long.

**Trustee Schindler:** Since we don't have another meeting before the election, is the district planning on putting something on social media about the ballot initiative for the mileage? **Trustee Townsend:** It is in the newsletter. **Dr. Zachery-Ross:** We will put a post on social media.

**Trustee Gainsley:** Thank you to Dr. Hawkins and Dr. Zachery-Ross for having the students from Holmes here at the meeting today.

**Dr. Hawkins:** Incident scholars are at EMU tomorrow, a program where students can apply for scholarships and college on the spot, Washtenaw County Commissioners forum being held from 6-8 p.m. at LRC building on Thursday, Townhall for candidates at 6:00 p.m. tomorrow night, Homecoming and the football game were great.

**Dr. Zachery-Ross:** Whole new staff (including a new AD and new band director) at the high school, with homecoming and all the things they had to do and they pulled it off. Spirit week was all week in all the buildings. We helped with the library book move supporting the libraries with our transportation and facilities departments. Ypsilanti Youth Orchestra membership has increased by 900% increase. Cognia will present the award on November 7th at the board meeting.

**Dr. Hawkins:** A beloved secretary, Sandy Wilkinson, at the WISD has passed and there are opportunities to express your sympathy to her family and the WISD family. Dr. Harris-Hugan lost two very important people in her life over the week. Thank you for considering the calendar changes.

## 13. ADJOURNMENT OF MEETING

Meeting adjourned at 8:07 p.m.



**WASHTENAW INTERMEDIATE SCHOOL DISTRICT (WISD)  
GREAT START READINESS PROGRAM (GSRP) SUBRECIPIENT CONTRACT  
2022-23 FY**

Washtenaw Intermediate School District (referred to as the Grantee) and **Ypsilanti Community Schools** (referred to as the Subrecipient) is a duly established **LEA** receiving a formula grant allocation, agree to enter into a contract in which WISD will provide 2022-23 FY GSRP state funds to serve enrollment of eligible children and families.

**TERM:**

The term of this contract shall be for a period of Twelve (12) months commencing upon **October 1, 2022** and shall continue through **September 30, 2023**.

GSRP funds are appropriated annually based on the State of Michigan's fiscal year; specifically, October 1 through September 30. MDE issues allocations to ISDs based on this fiscal year. WISD has selected an alternate twelve-month period overlapping the State fiscal year in which to expend GSRP grant funds, **July 1, 2022**, through **June 30, 2023**.

**AGREEMENT:**

Washtenaw Intermediate School District (WISD) (referred to as the Grantee) has been awarded a grant by the Michigan Department of Education under the authority of Public Act 48 of 2022, effective October 1, 2022 – September 30, 2023.

This grant was awarded to support the operation of Great Start Readiness Programs (GSRP) serving eligible four-year old children with high-quality preschool services within the Washtenaw Intermediate School District. WISD has determined that these programs and services are best delivered via a subcontract relationship with school districts, charter schools and community-based organizations experienced in the operation of Great Start Readiness Programs. Thus, the model shall focus upon utilizing the expertise and resources within existing entities in order to provide an integrated, family-centered approach to preschool services and activities.

The Grantee and Subrecipient agree to enter into a contract in which WISD will provide 2022-23 FY GSRP state funds to serve enrollment of eligible children and families.

**Mandatory criteria to receive funds:**

- 1. Eligible children enrolled, attending and reported accurately in Michigan School Data System (MSDS)**
- 2. Current license documenting compliance with Michigan Licensing and Regulatory Affairs (LARA)**
- 3. Fully staffed classrooms with qualified personnel**
- 4. Compliant with Great Start to Quality rating system GSRP requirements**
- 5. Timely and accurate submission of all required documentation; program and fiscal reports**
- 6. Interest survey sent to program prior to application being completed.**

## THE PROVISIONS OF THIS CONTRACT FOLLOW:

### I. GENERAL AGREEMENT:

The subrecipient shall, in a satisfactory manner as determined by WISD, and in accordance with all applicable laws, rules, policies and procedures as outlined in both the Michigan Department of Education's GSRP Implementation Manual and WISD's GSRP Policies and Procedures Manual perform the following functions:

- A. The Subrecipient will utilize GSRP funds to provide high quality services to eligible families. Income Quintiles will be used to select and prioritize children into the program. Children may be enrolled after the Governor signs the State Aid Bill.
- A. The Subrecipient will comply with the following:
  - 1. Laws, regulations and official guidance
  - 2. Operate school day programs for a minimum of 7 hours a day.
  - 3. Operate the minimum number of weeks and days as stated in the Implementation Manual
  - 4. Start classes by September 2022 and end in June 2023.
  - 5. If school buildings remain closed or open in a limited way, the subrecipient agrees to adhere to guidance provided by federal and local governments and Michigan Department of Education (MDE).
  - 6. In cases where remote services are required, they will be delivered virtually using a distance learning platform.
- B. The Subrecipient will notify WISD Preschool Supervisor within **24 hours** if any of the following occur:
  - 1. GSRP funded staffing changes due to vacancies, additions, reductions, temporary leaves, etc.
  - 2. Investigations: internal and external (licensing, Child Protective Services, etc.)
  - 3. Building closure due to fire, smoke, flooding, electrical, heating/cooling, or other non-snow day issue, etc.
  - 4. Unscheduled individual classroom closure due to *any* reason
  - 5. Emergency situations when children may be in danger.
- C. The Subrecipient is required to correct non-compliances in a period not to exceed two (2) weeks. In cases when the noncompliance may harm children, corrective action is required within 24 hours.  
Failure to comply may result in the following:
  - 1. Potential reduction or elimination of funding up to and including possible termination of GSRP contract.
  - 2. If at any time, the subrecipient loses their child care license or has their license changed to a provisional status, the subrecipient must notify WISD immediately.
- D. The Subrecipient inputs child information into ChildPlus
  - 1. Full enrollment is required by November 1, 2022 and must be maintained throughout the school year. If the assigned slots are unfilled as of November 1, 2022, WISD reserves the right to reassign unused slots to another subrecipient and transfer the annual per slot reimbursement award.
  - 2. Data is uploaded into Michigan Student Data System (MSDS) for all count periods
  - 3. Payment by WISD to the Subrecipient is based on the certified Center for Educational Performance and Information (CEPI) / MSDS count and documented child attendance records



4. Classroom attendance is recorded daily in ChildPlus. Program monitors attendance rosters to verify children are present and regularly attending. November 1, 2022 – January 29, 2023 attendance data will be used for the spring CEPI collection window
- E. The Subrecipient updates staff and program data in ChildPlus. This information will be used for MDE reporting. (New requirement for 2022 – 2023.)
- F. The Subrecipient adheres to the fee policy (refer to 2022-23 FY sliding fee scale/protocol) set by WISD and will not exceed 15% enrollment with children having income 251% - 350% of the federal poverty level (FPL). The Subrecipient will maintain documentation on site and submit invoices, payment schedule, and receipts to WISD when requested. Any fees received will be spent to support GSRP classrooms. No child with documented income of 250% FPL or higher will be enrolled without approval from the grantee.
- G. The Subrecipient ensures families will **not** incur any cost for the program, i.e. payment for field trips, fundraising, requests for donations, food, classroom materials, and/or parent entrance fees to activities, etc.
- H. The Subrecipient ensures all classrooms utilize developmentally appropriate practices according to NAEYC, Michigan Early Childhood Standards of Quality Pre-Kindergarten and the Subrecipient' s chosen curriculum with fidelity.
  1. Subrecipient will offer anti-bias activities inclusive in nature and nondiscriminatory. Holiday parties and end of year graduation celebrations are not components of MDE-approved curriculums, therefore, these events are NOT allowable in GSRP classrooms
  2. WISD and MDE prohibit supplemental curriculums (Handwriting without Tears, Zoo Phonics, Phonics Soup, etc.) without prior written approval
  3. Use or distribution of worksheets, workbooks, or copied pages are not allowable at any time in a GSRP-funded classroom or sent home in homework packets.
- I. The Subrecipient will maintain documentation for administrative review or submit upon request:
  1. The protocol for hiring teaching, administrative and support staff
  2. Staff evaluations with evidence of follow-up support
  3. An annual Professional Development Plan (PDP) for classroom staff training.
- J. The Subrecipient ensures the required number of qualified staff in each classroom based upon the number of children enrolled.
  1. Adult-child ratios (1:8) will be maintained with consistent adults
  2. Violations not corrected will be reported to LARA, as required by law
  3. In cases of health emergency challenges, reduction in number of children in a classroom and social distancing requirements may be in effect
- K. The Subrecipient ensures all GSRP children are screened with an approved tool ie. Ages and Stages Questionnaire (ASQ-3) at the start of the program.
- L. The Subrecipient conducts a minimum of four documented parent contacts: two 60 minute home visits and two 45 minute parent teacher conferences pursuant to the Implementation Manual (IM).
- M. The Subrecipient will utilize the and approved assessment, assessing children with COR Advantage or MTS GOLD. To align with MDE standards, three (3) check points/periods will be used, each capturing a minimum of 75% completion in each domain. Dates for check points/periods will follow the WISD Data Collection Timeline. Teacher made assessment may

not be utilized. Student data will be collected electronically through the WISD portal with each vendor.

- N. **Subrecipients are prohibited from suspending or excluding children for any reason.** A written protocol providing support to children exhibiting challenging attendance, tardiness, and behavior will be provided to all staff and families.
- O. The subrecipient will adhere to USDA guidelines and will participate in a federally funded food reimbursement program (CACFP, NSLP, SFSP) unless restricted from doing so. In addition, Subrecipients must adhere to the family style model of meal service stated in the Michigan Department of Education (MDE) Implementation Manual.
- P. Subrecipients will maintain records and accounts as deemed necessary by the Grantee and Michigan Department of Education (7 years).
- Q. Employ and/or contract for the services of qualified staff necessary to the operation of the program, meeting the required certification and other staff qualification requirements per Michigan Department of Education regulations.
  - 1. Subrecipients unable to employ qualified GSRP staff must submit appropriate documentation to WISD for approval of staff placement prior to employment of GSRP staff. Failure to comply may result in staff termination.
- R. The subrecipient shall ensure that no person shall be excluded from participation in, denied the proceeds of, or be subject to discrimination in any form as a result of the performance of this Agreement. The subrecipient shall further ensure that no applicant, candidate, employee, or volunteer will be subject to discrimination in any form and that affirmative action will be taken to ensure that applicants are employed and that employees are treated during employment without regard to race, religion, color, national origin, age, gender, or disability.

## II. BUDGET:

- A. WISD will pay the Subrecipient the sum of \$4575 per slot, while retaining
  - 1. Two (2) percent for all administrative and financial support.
  - 2. Two (2) percent for the joint recruitment and marketing system.
  - 3. Three (3) percent plus \$3,500 per classroom to provide a Qualified Early Childhood Specialist support which includes Program Quality Assessment administration, monitoring, mentoring of staff, professional development support and child assessment support.
- B. Subrecipient will provide budget detail using the provided (Excel-format) workbook provided:
  - 4. All expenses must be *allowable, reasonable and necessary* by state and federal standards
  - 5. Maintain a separate GSRP bank account
  - 6. Complete reimbursement requests by the 15<sup>th</sup> of the subsequent month to ensure a timely payment (at least quarterly); WISD will transfer funds, not exceeding the maximum amount specified
  - 7. The State of Michigan has released GSRP funding to WISD.
  - 8. The subrecipient has submitted an approved budget to WISD and signed contract.
  - 9. All required reports and documentation have been submitted to WISD with documentation provided by the subrecipient.

10. Funds may be requested by the subrecipient on a monthly basis; WISD requires that subrecipients submit reimbursement requests at least quarterly in order to stay current in managing the grant's funds with appropriate documentation.
11. Utilize a payroll system; payments via personal checks, cash, Google Pay, CashApp, PayPal, etc. are prohibited
12. Payments to public or private entities for child care services during GSRP time periods, i.e. Department of Health and Human Services (DHHS) child care subsidy, are prohibited
13. Maintain a current inventory of all furniture and materials purchased with grant funds. Upon program closure or reduction in classroom(s), WISD will collect and redistribute the materials
14. Budget amendments with justification will require prior written approval and are allowed once per fiscal year. Requests must be made no later than April 1.
15. Any structural or playground changes over \$1,000 using GSRP funds require prior written approval by WISD and a three (3) year commitment letter from the Superintendent/CEO/President/Owner
16. Final Expenditure Report (FER) will be submitted no later than 15 business days after June 30, 2023
17. Carryover funds are not allowed
18. If the subrecipient is no longer able to continue normal operation because of a public health emergency, continued funding will depend upon WISD and MDE guidance
19. Non-classroom staff positions paid with GSRP funds require a detailed job description identifying actual grant work performed. Administrative and owner positions that do not include GSRP assigned/required duties are not an allowable expense.

C. WISD reserves the right to withhold GSRP funds if the Subrecipient is deemed non-compliant with any of the terms listed in this contract.

D. In cases of documented fiscal impropriety, WISD reserves the right to terminate the contract without notice.

E. The subrecipient must retain all financials for a minimum of 7 years. This includes general ledger and detailed receipts and invoices specific to GSRP expenditures. All financial records must be made available upon request from WISD or MDE.

F. WISD will provide a maximum **\$1,489,320.00** in **2022-23FY** GSRP funds when the above conditions have been achieved. **Ypsilanti Community Schools** has been awarded 208 **School Day slots** and 156 **Blended slots** to serve 260 CHILDREN. This level of funding is contingent on the 2022-2023 State School Aid Budget containing the same level of funding for GSRP programs and the same allocation methods for that funding.

### III. **PROGRAM AND SERVICES:**

WISD and the subrecipient agree to the following functions and responsibilities in order to provide high-quality, valuable preschool services under this Agreement:

A. The subrecipient agrees to follow the joint recruitment process required by MDE and established by WISD. All joint recruitment efforts will be done in coordination with WISD Head Start delegates and partners.

1. The subrecipient agrees to ensure that all families begin the recruitment processing using the county-wide Preschool Interest Form system and to

- adhere to the recruitment and enrollment procedures provided by WISD. Recruitment of children shall be comprehensive and collaborative.
2. The subrecipient agrees to participate and support county wide joint recruitment efforts for Head Start and GSRP, to promote Head Start and GSRP services within their own service area and to distribute jointly development preschool marketing materials.
  3. The subrecipient agrees that all children with disabilities and/or special needs shall be served with required accommodations and modifications as documented in the child's Individualized Education Plan (IEP).
- B. The subrecipient shall permit on-site monitoring inspections by WISD or State of Michigan representatives and shall require its employees to furnish such information as, in the judgment of WISD or State of Michigan representatives, may be relevant to compliance with the Agreement and/or any directives applicable to the GSRP or to the effectiveness, legality, and achievements of the program. On-site monitoring could include both program and financial reviews. If a subrecipient is found in non-compliance the subrecipient will be placed on a compliance plan to ensure high quality preschool programming. If satisfactory improvement is not achieved, the subrecipient can risk the loss of GSRP funding in subsequent program years.
- C. The subrecipient shall submit financial, program, progress, evaluation, and other reports as required by WISD. The subrecipient is responsible for maintaining a student data system which includes completing all necessary information set forth by the Center for Educational Performance and Information (CEPI) and the Michigan Student Data System (MSDS) for student tracking. Additionally, the subrecipient will prepare reports in the format outlined by WISD for MSDS data submissions. WISD will be responsible for submitting all required subrecipient GSRP information into MSDS and work collaboratively with the subrecipient to ensure all data is correct and without error.
- D. The subrecipient shall use an approved curriculum, child assessment tool and child screening set forth by the Michigan Department of Education. Both the approved curriculum and assessment tool shall be implemented following best-practices and with fidelity. Lessons shall be structured around the needs of the child and family. The subrecipient shall, at minimum:
1. Provide the Early Childhood Specialist with access to daily lesson plans for classroom operations as requested.
  2. Ensure that lesson plans address goals and objectives, including individualization.
- E. WISD and its GSRP subrecipients shall partner to make available quality professional development opportunities to all GSRP staff members. It is the expectation that subrecipient staff will attend relevant professional development opportunities as organized by WISD.
1. WISD shall assist in the provision of both required and requested professional development by partnering with other community-based and state-wide training providers. The subrecipient should avail its staff of these opportunities and ensure staff members have access to any training required to ensure a high-quality GSRP program.
  2. WISD will assist in providing training for staff in the developmental screening tool, approved curriculum, and the approved child assessment tool. However, it is the responsibility of the subrecipient to ensure that all staff members have received training in these areas to ensure full compliance and a quality implementation of the program.
  3. The subrecipient shall designate an administrative staff person to attend monthly Preschool Partnership meetings and be a primary point of contact for WISD.

Attendance at all monthly Preschool Partnership meetings is a requirement for GSRP subrecipients.

- F. In the event of any dispute concerning the implementation or implementation of this contract, the subrecipient must notify WISD’s Supervisor of Preschool Programs in writing of the nature of the concern or dispute. WISD will make a determination to resolve the dispute within 10 business days of receiving the written dispute. If the subrecipient is not satisfied by the determination provided by WISD’s Supervisor of Preschool Programs, the written concern or dispute will be submitted to WISD’s Superintendent within 15 business days for further interpretation of the dispute.

**CONTRACT TERMS:**

This contract will be effective once signed by both parties and state allocation budget has been approved by the Governor. Either party may cancel this contract with thirty (30) days written prior notice. The Subrecipient certifies and affirms it is not included on the Federal Suspension and Debarments list of Excluded Parties; nor is the Subrecipient affiliated with any party included on the Federal Suspension and Debarments list of Excluded Parties. If the grant from the Michigan Department of Education under which this Agreement is funded is terminated or suspended, or it has been determined that the subrecipient has not met the conditions of this Agreement. Upon suspension/termination, WISD assumes full responsibilities under this grant with the Michigan Department of Education.

**Submit a calendar for 2022-23 school year identifying the dates indicated below with the signed contract:**

- First day of class by September 2022 and last day of class in June 2023
- 30 weeks / 120 days in class
- Home visit and parent conferences
- Parent Advisory & Data Meetings
- Planned site closure dates.

**CHANGES TO THE AGREEMENT:**

WISD reserves the right to request changes in the scope of services to be provided by the subrecipient under this Agreement. Such changes may be attributable to requirements of the Michigan Department of Education or requested by WISD for the good operation of the program. In the event of such a change, it will be discussed with the subrecipient to achieve mutual understanding and agreement, before being incorporated as an amendment to this Agreement. In cases of a funding decrease imposed by the Michigan Department of Education, WISD reserves the right to unilaterally adjust the maximum amount of annual reimbursement accordingly.

**FOR THE SUBRECIPIENT**

<b>Superintendent/Owner/CEO</b>	<b>Fiscal Representative</b>

Printed Name	Printed Name
Signature	Signature
Date	Date

**WASHTENAW INTERMEDIATE SCHOOL DISTRICT**

<b>Supervisor of Preschool Services</b>	<b>Interim Superintendent, WISD</b>
Erika Huizenga	Naomi Norman
Signature	Signature
Date	Date

YPSILANTI COMMUNITY SCHOOLS (the "District")
Washtenaw County, Michigan

A regular meeting of the Board of Education (the "Board") was held in the Professional Development Room of the YCS Administration Building at 1885 Packard Road, within the boundaries of the District, on the 7th day of the November, 2022, at 6:30 in the p.m.

The meeting was called to order by \_\_\_\_\_, President.

Present: Members

Absent: Members

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by \_\_\_\_\_.

Whereas, this Board previously adopted a resolution to impose a summer tax levy to collect 100% of annual school property taxes, including debt service, upon property located within the District and continuing from year-to-year until specifically revoked by the Board.

Now, THEREFORE, BE IT RESOLVED THAT:

- 1. The Board, pursuant to 1976 PA 451, as amended (Revised School Code), invokes for 2022 its previously adopted on going resolution imposing a summer tax levy of all of the annual school property taxes, including debt service, upon property located within the District and continuing from year-to-year until specifically revoked by the Board and requests each that city and/or township in which the district is located collect those summer taxes.
2. Superintendent or designee is authorized and directed to forward to the governing body of each city and/or township in which the District is located. A copy of this Board's resolution requesting that each such city and/or township agree to collect the summer tax for 2023 in the amount specified in this resolution. Such forwarding of the resolution and the request to collect the summer tax levy shall be performed so that they are received by the appropriate governing bodies before January 1, 2023.
3. Pursuant to and in accordance with Section 1613(1) of the Revised School Code, the Superintendent or designee is authorized and directed to negotiate on behalf of the District with the governing body of each city and/or township in which the District is located for the reasonable expenses for collection of the District's summer tax levy that the city and/or township may bill under MCL 380.1612. Any such proposed agreement shall be brought before the Board for its approval or disapproval.
4. All resolutions and parts of resolutions in so far as they conflict with the provisions of this resolution be and the same are hereby rescinded.

Ayes:

Nays:

Resolution Declared adopted.

\_\_\_\_\_  
Maria Goodrich  
Secretary, Board of Education | Ypsilanti Community Schools

The undersigned duly qualified and acting Secretary for the Board of Education of Ypsilanti Community Schools, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at a regular meeting held on November 07, 2022, the original of which part of the Board's minutes. The undersigned further certifies that notice of the meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).

\_\_\_\_\_  
Maria Goodrich  
Secretary, Board of Education | Ypsilanti Community Schools

## Expense Escalation Lease, Multitenant Building

This Lease is made between Landlord and Tenant, who agree as follows:

1. **Basic Definitions.** The following defined terms will be used throughout this Lease:

- a. Lease Date means [11/1/22].
- b. Landlord means Ypsilanti Community Schools (YCS) or its successors in interest.
- c. Landlord Notice Address is 1885 Packard Road, Ypsilanti, MI 48197.
- d. Tenant means [The Explorer Club/ James I. Smith].
- e. Tenant Notice Address is. [8318 Carpenter Rd, Ypsilanti 48197, play@theexplorerclub.org, 734-395-5528]
- f. Premises means [Room 126 at Chapelle Business Center].
- g. Building means [Chapelle Business Center], located at [111 S. Wallace, Ypsilanti 48197]
- h. Property means the Premises, the Building, and all related land.
- i. Rentable Floor Area of Premises means approximately [859] rentable square feet, which does not include an allocated percentage of the common areas.
- j. Term means a period beginning on [11/1/22], and continuing as a month-to-month tenancy.
- k. Commencement Date means [11/1/22].
- l. Expiration Date means [6/30/23].
- m. Rent means Monthly Base Rent and Additional Rent.
- n. Monthly Base Rent means \$[6872].
- o. Monthly Installment of Base Rent means \$[573]. Monthly installment of calculated utilities = \$[156] per month. Total rent plus utilities per month is \$[729].



p. Additional Rent means the reimbursement of all expenses paid or incurred by Landlord in connection with the leased space identified on Exhibit 1, including the following:

p1. Maintenance Expenses (e.g. HVAC units, doors, windows, walls, electrical switches and outlets, light fixtures, bulbs, and required fire and other inspections.)

p2. Utilities (3.9% of the average of electric, gas, sewer and water costs, i.e. \$[1863] annually or \$[156] monthly).

p3. Replacement of the roof, boiler and chiller will be Landlord's responsibility. Additionally, if a leak causes the need for any other repairs to the building, Landlord will assume the expense of repair. Landlord's liability will not extend to Tenant's contents, which should be separately insured by Tenant. The parking lot will be repaired at Landlord's discretion and will be Landlord's sole responsibility.

and all other charges that may become due under the terms of this Lease.

q. Proportionate Share means 3.9%.

r. Base Month means [11/1/22-6/30/23].

s. Operating Expenses means all expenses of every kind paid or incurred by Landlord in connection with the Property. Unless stated otherwise in this agreement.

t. Security Deposit means \$0.

u. Designated Use means [We would propose to use the leased classrooms for overall functional fitness and sport specific personal training for young athletes Ages (8-14). Much of the training would incorporate plyometric exercises. We would also use the gym and available outside areas to add variety and obstacles to our training sessions].

v. Applicable Laws means all statutes, codes, ordinances, administrative rules, regulations, and orders or directives of any governmental authority.

2. **Premises.** Landlord leases the Premises to Tenant. Tenant has inspected the Premises and is satisfied with the condition of the Premises and the Property. Landlord must make reasonable efforts to deliver possession of the Premises on the Commencement Date. Landlord is not liable for damages for failure to deliver possession on the Commencement Date. If Landlord fails to deliver possession tenant may terminate the lease.

Landlord reserves the right to make alterations or additions to the Property, to demolish or build improvements on the Property, and to change the name of the Building, in its sole discretion without the consent of Tenant.

3. **Term.** The Term means the Lease will start on [11/1/22], and will continue as a month-to-month tenancy. In accordance with the State Statutes to terminate the tenancy, the Landlord or Tenant must give the other party written [30 days required for notice of non-renewal], days' notice of non-renewal. The Tenant may only terminate their Agreement on the last day of any month and the Landlord must receive written notification of non-renewal at least [30 days required for notice of non-renewal], days prior to the last day of the month. If the Tenant plans to leave on or after the first of any month, they are responsible for that month's full rent. If the Tenant does not provide the Landlord with a written [30 days required for notice of non-renewal] days' notice, they shall forfeit their full deposit amount. The term commences on the Commencement Date and expires on the Expiration Date, unless otherwise terminated or extended as provided in this Lease.

4. **Monthly Base Rent.** Beginning on the Commencement Date, Tenant will pay Landlord the Monthly Base Rent. Tenant will pay the Monthly Base Rent by Monthly Installment of Base Rent, to the order of Landlord, in advance, on the first day of each calendar month, at Landlord's office or any other place that Landlord designates in writing. Any Rent that is not received within 30 days after its due date will bear simple interest at 10%. If the Commencement Date is other than the first day of a calendar month, the Monthly Installment of Base Rent for the partial first calendar month of the Term will be prorated on a daily basis and paid on the Commencement Date.

5. **Maintenance Expenses.** Tenant will pay as Additional Rent its Proportionate Share of any Maintenance Expenses, i.e. 3.9% of maintenance expenses for HVAC equipment that services the Premises and 100% of maintenance expenses for repairs to the Premises. Cost for repairs will be due net 30 days after invoice. HVAC equipment does not include boiler or chiller replacement, but would include maintenance to those systems.

6. **Liens.** Tenant must maintain the Premises in good repair to the reasonable satisfaction of Landlord, in a clean and safe condition, and in accord with Applicable Laws. Landlord and Tenant will negotiate and define any substantial structural alterations prior to undertaking such changes. Any alterations to the Premises must comply with the Americans with Disabilities Act of 1990.

Tenant must keep the Premises free of construction or other liens. Tenant will hold Landlord harmless against any liens placed against the Premises, except those attributable to the acts of Landlord. If a lien is filed against the Premises as the result of any action undertaken by Tenant, Tenant must discharge the lien within 60 days

after receiving notice of the lien. If Tenant fails to discharge the lien, Landlord may procure a discharge at Tenant's expense, which Tenant must pay immediately on a demand from Landlord.

**7. Hours of Occupancy.** Tenant shall be entitled to occupy the Premises between the hours of **5 A.M.** and **10 P.M.**, **Monday**[day of week] through **Sunday**[day of week]. In the event Tenant wishes to occupy the Premises at other times, it shall notify Landlord in writing of its requested additional occupancy, setting forth the requested date(s) and inclusive times, no less than five (5) business days before the proposed occupancy. Tenant agrees to reimburse Landlord in full for Landlord's actual incremental custodial and other costs associated with making the Premises available to Tenant during such additional occupancy periods.

**8. Services.** Landlord will furnish heat and air-conditioning during normal business hours (**6:00 a.m.** to **8:00p.m.**, Monday through Sunday); electricity; water for ordinary lavatory purposes; and use in common of the Building's common areas, rest rooms, and similar facilities. Landlord will also perform the janitorial services in all common areas. Tenant's leased area should be kept clean by tenant.

No sign may be erected by Tenant on the Premises without the prior written consent of the Landlord, which consent shall not be unreasonably withheld or delayed. If such consent is given, the size, type, design, legend, and location must be in compliance with all applicable laws and ordinances, and must be approved by Landlord. Tenant hereby acknowledges and agrees to maintain, at Tenant's sole cost and expense, any sign erected by Tenant pursuant to this paragraph in good repair and working order at all times. In addition, Tenant hereby agrees to indemnify, defend and hold Landlord harmless (using counsel of Landlord's choice) from and against any cost, expense, claim or liability, including reasonable attorneys' fees, arising from or related to any sign erected by Tenant on the Premises or the maintenance thereof. Any service the Landlord is required to furnish may be furnished by Landlord's managing agent or by one or more independent contractors.

Landlord is not liable for interruption in Utilities caused by riots, strikes, labor disputes, wars, terrorist acts, accidents, or any other cause beyond the control of Landlord. Landlord may interrupt Utilities to make repairs or improvements. Interruption in Utilities does not constitute an act of eviction; nor does any interruption in Utilities release Tenant from any obligation under this Lease, including the payment of Rent.

**9. Holding Over.** If Tenant remains in possession of the Premises after the Expiration Date with the consent of Landlord, it will occupy the Premises as a holdover tenant subject to a new a month-to-month tenancy. Landlord may withhold its consent to holdover in its sole discretion. If Landlord consents to the holdover, Tenant is subject to all the covenants of this Lease to the extent they can be applied to a month-to-month tenancy, except that the Monthly Installment of Base Rent for each

month of the holdover will be one-hundred twenty-five percent of the Monthly Installment of Base Rent payable during the last month of the Term. This covenant does not preclude Landlord from recovering damages if Tenant fails to timely deliver possession of the Premises after termination of the holdover, nor does it establish any right to extend or renew the Term. If Tenant holds over after the expiration of the Term without Landlord's consent, Tenant is liable for all damages resulting from the holdover. It is expressly within the contemplation of the parties that such damages may include (a) the reasonable rental value of the Premises; (b) any damages arising from the loss of any sale, lease, or refinancing of the Premises; (c) any lost profits incurred by Landlord; and (d) any treble, double, or statutory damages allowed under the Applicable Laws.

**10. Quiet Enjoyment.** Unless this Lease is terminated or Tenant is evicted in accord with Michigan law, Landlord will not disturb Tenant's quiet enjoyment of the Premises or unreasonably interfere with Tenant's Designated Use of the Premises. Landlord shall have the right from time to time, upon 24 hours prior notice to Tenant, to inspect the Premises to confirm Tenant's compliance with this Lease. Landlord's inspection shall in no way disrupt or interfere with Tenant's school operation. Tenant must permit Landlord to enter the Premises during regular business hours for the purpose of inspection or to show the Premises to prospective purchasers, mortgagees, and tenants.

**11. Use of the Premises.** The Premises will be used for the Designated Use and for no other purpose. Tenant will not use the Premises in any manner which violates the Building Rules or Applicable Laws. The Building Rules may be amended by Landlord in its reasonable discretion.

**12. Indemnification.** Tenant will indemnify and defend Landlord against all claims for bodily injury or property damage relating to the Premises. The claims covered by this indemnification include all claims for bodily injury or property damage relating to (a) the condition of the Premises; (b) the use or misuse of the Premises by Tenant or its agents, contractors, or invitees; or (c) any event on the Premises, whatever the cause. Tenant's indemnification does not extend to liability for damages resulting from the sole or gross negligence of Landlord or for Landlord's intentional misconduct.

**13. Limitations on Landlord's liability.** The Landlord, as defined in this Lease, includes successors in interest. The term is intended to refer to the owner of the Premises at the time in question. If the Premises are sold, the new owner will automatically be substituted as the Landlord.

Landlord shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining areas or any part of the area adjacent to or connected with the Premises or any part of the structures or improvements on the Premises for any loss or damage

resulting to Tenant or its property from theft or a failure of the security systems, if any, in the Premises or structures containing the Premises, or for any damage or loss of property within the Premises from any cause other than solely by reason of the willful act of Landlord, and no such occurrence shall be deemed to be an actual or constructive eviction from the Premises or result in an abatement of rents.

If Landlord fails to perform this Lease and as a result Tenant recovers a money judgment against Landlord, the judgment will be satisfied out of the execution and sale of Landlord's interest in the Property or by garnishment against the rents or other income from the Property. Landlord is not liable for any deficiency. This section constitutes Tenant's sole and exclusive remedy for breach.

Conditioned solely on the sale of the Property, Tenant agrees to the following release in favor of its then former landlord. Effective on the first anniversary of the date on which Tenant is given notice of the sale, Tenant releases its former landlord from all claims except those expressly preserved in this section. This release is intended to be broadly construed for the benefit of the former landlord and includes (a) all claims regarding the performance of this Lease; (b) all claims for bodily injury or property damage relating to the Premises; and (c) all claims in any other way relating to the Lease, the Premises, or the landlord-tenant relationship. However, this release does not extend to any claim filed in a court of appropriate jurisdiction within one

of the date of sale or to any claim for bodily injury or property damage resulting from the former landlord's gross negligence or intentional misconduct.

**14. Insurance.** Tenant, at Tenant's sole expense, agrees to maintain in force, with a company or companies acceptable to Landlord, during the term of this Lease: (a) Commercial General Liability Insurance on a primary basis covering the Premises on an occurrence basis against all claims for personal injury, bodily injury, death and property damage, including contractual liability covering the indemnification provision in this Lease. Such insurance shall, at a minimum, be maintained in an amount of \$1,000,000.00 per occurrence and an additional \$10,000,000.00 in umbrella coverage for the above claims; (b) Workers' Compensation and Employers' Liability Insurance for an amount of not less than \$500,000.00, both in accordance with the State of Michigan; and (c) In the event a motor vehicle is to be used by Tenant in connection with its business operation from the Premises, Comprehensive Automobile Liability Insurance coverage with limits of not less than \$1,000,000.00 combined single limit coverage against bodily injury and liability arising out of the use by or on behalf of Tenant, its agents and employees in connection with this Lease, of any owned, non-owned or hired motor vehicles.

Each Policy referred to above shall satisfy the following requirements. Each policy shall (i) name Landlord as an additional insured (except Workers' Compensation and Employers' Liability Insurance), (ii) be issued by one or more reasonable insurance companies licensed to do business in the State of Michigan reasonably satisfactory to

Landlord, (iii) where applicable, provide for deductible amounts satisfactory to Landlord, (iv) shall provide that such insurance may not be cancelled or amended without 30 days' prior written notice to Landlord, and (v) shall provide that the policy shall not be invalidated should the insured waive in writing prior to a loss, any or all rights of recovery against any other party for losses covered by such policies. Tenant shall deliver to Landlord certificates of insurance and at Landlord's request, copies of all policies and renewals thereof to be maintained by Tenant hereunder, not less than 10 days prior to the commencement of this Lease and not less than 10 days prior to the expiration date of each policy.

**15. Fire or Other Casualty.** Tenant must give Landlord notice of fire or other casualty on the Premises. In addition to the written notice, Tenant must immediately and with all diligence attempt to contact Landlord by all means available, including telephone, pager, fax, and e-mail, to inform Landlord of the casualty. If the Premises are damaged or destroyed by fire or other casualty, Landlord may terminate this Lease by notice to Tenant. The notice of termination must be given within 30 days after the occurrence of the casualty. If the notice of termination is not given within that period, this termination option will lapse and no longer be effective. Within 30 days after the notice of termination has been given, Tenant must surrender the Premises to Landlord. After the surrender, each party is released from any further obligations under this Lease, with the following exceptions: (a) all Rent accruing through the surrender date must be paid in full, and (b) the Security Deposit will be retained or returned as provided in this Lease. Tenant has no obligation to pay any Rent accruing after the surrender date. If Landlord does not exercise this option within the designated period, Landlord must diligently proceed to repair and restore the Premises to its condition before the casualty.

**16. Assignment and Subletting.** Tenant must not assign this Lease or sublet the Premises without the prior consent of Landlord, which may be withheld in Landlord's sole discretion.

**17. Subordination and Estoppel Certificates.** At Landlord's mortgagee's option, (a) any mortgage or mortgages now or later placed on Landlord's interest in the Premises may be subordinated to this Lease or (b) this Lease may be subordinated to any mortgage or mortgages now or later placed on Landlord's interest in the Premises. The mortgagee's option must be exercised by notice to Tenant. Tenant must execute and deliver, within 30 days after a request, any further instruments, in a form acceptable to the mortgagee, confirming subordination as requested by Landlord or Landlord's mortgagee.

In the event of foreclosure or any conveyance by deed in lieu of foreclosure, Tenant must attorn to Landlord's successor in interest, provided that the successor agrees in writing to recognize Tenant's rights under this Lease. Tenant must execute and deliver, within 30 days after a request, any further instruments, in a form acceptable

to Landlord's successor in interest, attorning to the successor in interest and recognizing it as Landlord under this Lease.

Within 30 days after a demand by Landlord, Tenant must execute and deliver to Landlord an estoppel certificate, in a form acceptable to Landlord, certifying

- a. the Commencement Date;
- b. the Expiration Date;
- c. that this Lease is unmodified and in full force and effect, or is in full force and effect as modified, stating the modifications;
- d. that the Lease is not in default, or a list of any defaults;
- e. that Tenant does not claim any rights of setoff, or a list of rights of setoff;
- f. the amount of Rent due as of the date of the certificate, or the date to which the Rent has been paid in advance;
- g. the amount of any Security Deposit; and
- h. other matters reasonably requested by Landlord.

Landlord and any prospective purchaser of the Premises may rely on this certificate. It is within the contemplation of the parties that Tenant's failure to provide the estoppel certificate could result in the loss of a prospective sale or loan and that Tenant is liable for all damages resulting from such a loss.

**18. Security Deposit.** Within 1 day of the Lease Date, Tenant must deposit the Security Deposit with Landlord. The Security Deposit will be used to secure Tenant's performance of this Lease. Landlord may commingle the Security Deposit with its own funds. If Tenant fails to pay Rent or otherwise commits a Breach, Landlord may apply all or part of the Security Deposit to make the payment or cure the Breach. Landlord's rights under this section are in addition to any other rights or remedies Landlord may have under the terms of this Lease or under Michigan law. If Landlord uses all or part of the Security Deposit, within 60 days after demand by Landlord, Tenant must pay Landlord sufficient funds to restore the Security Deposit to its original amount. Any unused portion of the Security Deposit must be returned to Tenant, without interest, within 30 days of the later of (a) the termination of the Lease, (b) Tenant's surrender of the Premises, or (c) the return of the keys to Landlord. If Landlord uses the Security Deposit, within 60 days after a demand by Landlord, Tenant must pay Landlord sufficient funds to restore the Security Deposit to its original amount. Any unused portion of the Security Deposit will be returned to

Tenant, without interest, within 30 days after Tenant's surrender of the Premises in accord with this Lease.

**19. Remedies.** If any Rent payable by Tenant to Landlord remains unpaid for more than 5 days after the date when rent is due, or if Tenant violates or defaults in the performance of any of its non-monetary obligations in this Lease and the non-monetary violation or default continues for a period of 10 days after written notice (unless the default involves a hazardous condition, which shall be cured forthwith, or unless the failure to perform is a default for which this Lease specifies there is no cure or grace period), then Landlord may (but will not be required to) declare this Lease forfeited and the term ended, or re-enter the Premises, or may exercise all other remedies available under Michigan law. Landlord will not be liable for damages to any persons or property by reason of any legitimate re-entry or forfeiture, and Landlord will be aided and assisted by Tenant, its agents, representatives and employees. Tenant, by the execution of this Lease, waives notice of re-entry by Landlord. In the event of re-entry by Landlord without declaration of forfeiture, the liability of Tenant for the Rent provided herein will not be relinquished or extinguished for the balance of the term, and any Rent prepaid may be retained by Landlord and applied against the costs of re-entry, or as liquidated damages, or both. Tenant will pay, in addition to the Rent, and other sums agreed to be paid hereunder, reasonable attorneys' fees, costs and expenses in any suit or action instituted by Landlord to enforce the provisions of, or the collection of the Rent due Landlord under this Lease, including any proceeding under the Federal Bankruptcy Code.

If Tenant is adjudged bankrupt or insolvent, files or consents to the filing of a petition in bankruptcy under Federal or State law, applies for or consents to the appointment of a receiver for all or substantially all of its assets, makes a general assignment for the benefit of its creditors, fails generally to pay its debts or does anything which, under the applicable provisions of the Federal Bankruptcy Code would permit a petition to be filed by or against Tenant, then Tenant shall be in default under this Lease and to the extent from time to time permitted by applicable law, including but not limited to the Federal Bankruptcy Code, Landlord shall be entitled to exercise all remedies set forth in the preceding paragraph. In a reorganization under Chapter 11 of the Federal Bankruptcy Code, Landlord shall be trustee must assume this Lease or assign it within 60 days from the filing of the proceeding, or he shall be deemed to have rejected and terminated this Lease. Tenant acknowledges that its selection to be a tenant of the Building was premised in material part on Landlord's determination of Tenant's creditworthiness and ability to perform the economic terms of this Lease, and Landlord's further determination that Tenant and the character of its occupancy and use of the Premises would be compatible with the nature of the Building and other tenants thereof. Therefore, if Tenant, as debtor, or its trustee elects to assume or assign this Lease, in addition to complying with all other requirements for assumption or assignment under the Federal Bankruptcy Code, then Tenant, as debtor, or its trustee or assignee, as the case



may be, must also provide adequate assurance of future performance, including but not limited to a deposit, the amount of which shall be reasonably determined based on the duration of time remaining in the term, the physical condition of the Premises at the time the proceeding was filed, and such damages as may be reasonably anticipated after reinstatement of the Lease, taking into account rental market conditions at the time of the reinstatement. In the event of an assignment, Landlord must be reasonable assured that the financial condition of the assignee is sound, and that its use of the Premises will be compatible with the Building and its other tenants.

In the event of declaration of forfeiture at or after the time of re-entry, Landlord may re-lease the Premises or any portion(s) thereof for a term or terms and at a rent which may be less than or exceed the balance of the term of and the Rent reserved under this Lease. In such event Tenant shall pay to Landlord as liquidated damages for Tenant's default any deficiency between the total Rent reserved and the net amount, if any, of the rents collected on account of the lease or leases of the Premises which otherwise would have constituted the balance of the term of this Lease. In computing such liquidated damages, there will be added to the deficiency any expenses for which Landlord may incur in connection with re-leasing the Premises, such as legal expenses, attorneys' fees, brokerage fees and expenses, advertising and for keeping the Premises in good order or for preparing the Premises for re-leasing. Any such liquidated damages will be paid in monthly installments by Tenant on the day rent is due and any suit brought to collect the deficiency for any month will not prejudice Landlord's right to collect the deficiency for any subsequent month by a similar proceeding. In lieu of the foregoing computation of liquidated damages, Landlord may elect, at its sole option, to receive liquidated damages in one payment equal to any deficiency between the total Rent reserved hereunder and the fair and reasonable rental of the Premises.

Whether or not forfeiture has been declared, Landlord will not be responsible in any way for failure to release the Premises or, in the event that the Premises are re-leased, for failure to collect the rent under such re-leasing. The failure of Landlord to re-lease all or any part of the Premises will not release or affect Tenant's Liability for Rent or damages.

**20. Condition on Expiration.** On Expiration, Tenant must promptly deliver all keys for the Premises to Landlord. Tenant will surrender the Premises broom clean and in the same condition as on the Commencement Date, reasonable wear and tear excepted. Any damage to the Premises resulting from the removal of trade fixtures or other items of personal property will be repaired at Tenant's expense. Tenant will reimburse all expenses paid or incurred by Landlord in connection with repairing or restoring the Premises to the designated condition immediately upon demand. Tenant will remove its personal property and trade fixtures from the Premises immediately on termination. Tenant represents that it is Tenant's intention that all personal property and trade fixtures remaining on the Premises after termination are abandoned by Tenant.

**21. Communications.** All notices, demands, requests, consents, and communications required or provided under this Lease (Communications) must be in writing. Any Communications from Landlord to Tenant are deemed duly and sufficiently given if a copy has been: (a) personally delivered; (b) mailed by U.S. mail, postage prepaid; or (c) sent by professional delivery service to Tenant at the Tenant Notice Address or another address that Tenant has designated in writing or emailed to tenant. Any Communications from Tenant to Landlord are deemed duly and sufficiently given if delivered to Landlord in the same manner at the Landlord Notice Address or another address that Landlord has designated in writing. Communications sent by U.S. mail are deemed received on the next regular day for the delivery of mail after the day on which they were mailed.

**22. Construction and Interpretation.** This Lease will be construed in accord with Michigan law. This Lease has been negotiated at arm's length and carefully reviewed by both parties. This Lease is not to be construed against Landlord.

The use of the word *may* in describing the right of a party means that the party has the discretion, but not the obligation, to exercise that right. Furthermore, the exercise of the right is not an election of remedies or a waiver of any other right or claim. The use of the words *will* or *shall* in describing an obligation of a party means that the party must perform that obligation. The use of the words *include* and *including* is intended to be illustrative, not exhaustive.

The parties will rely solely on the terms of this Lease to govern their relationship. This Lease merges all proposals, negotiations, representations, agreements, and understandings with respect to the Lease. There are no representations with respect to the condition of the Premises, or any other matter in any way related to the Premises or this Lease except as expressly set forth in this Lease. There are no damages within the contemplation of the parties except as expressly identified in this Lease. No rights, covenants, easements, or licenses may arise by implication. Reliance on any representation, omission, action, or inaction outside of this Lease is unreasonable and does not establish any rights or obligations on the part of either party. This Lease may only be modified or amended by a written document signed by Landlord and Tenant. There may be no oral modifications or amendments of this Lease, whether or not supported by consideration.

No endorsement or statement on any check or on any letter accompanying any check will be deemed an accord and satisfaction. Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance of the amount due or to pursue any other remedy. Tenant acknowledges that the Monthly Base Rent is a liquidated claim. Tenant waives any requirement that Landlord tender back funds as a condition to bringing an action to collect unpaid Monthly Base Rent. No covenant or breach is intended to be waived unless a waiver is clearly expressed in a document (a) signed by the waiving party; (b) specifically identifying the covenant or

breach; and (c) expressly stating that it is a waiver of the identified covenant or breach. The waiver of a covenant or breach is not construed as a continuing waiver of the same covenant or of any future breach. Consent by Landlord to any act requiring Landlord's consent does not constitute a waiver of the requirement of Landlord's consent with respect to any similar or subsequent act. Tenant is not entitled to surrender the Premises to avoid liability for Rent unless (a) an acceptance of the surrender is evidenced in a document signed by Landlord and (b) the document expressly states that it is the acceptance of a surrender. No action or inaction, other than as expressly provided in this section, may be construed as an acceptance of surrender by Landlord.

Notwithstanding anything to the contrary, Tenant's obligation to pay Rent is a material and independent covenant and is not subject to setoff, recoupment, or suspension. Notwithstanding anything to the contrary, Landlord has no obligation to mitigate any claim for Rent.

Time is of the essence with respect to both the definition of a Material Beach and the exercise of options, if any, within the Lease.

If any covenant of this Lease is invalid, illegal, or unenforceable, that covenant will be enforced to the fullest extent permitted by law, and the validity, legality, and enforceability of the remaining covenants will not in any way be affected or impaired.

**23. Arbitration.** Except for any claim arising out of or relating to Tenant's default in the payment of rent, Landlord and Tenant agree to submit any and all other claims, controversies and disputes between Tenant and Landlord arising out of or relating to the Premises, this Lease, or Tenant's and Landlord's performances due hereunder, to arbitration pursuant to the Michigan Uniform Arbitration Act ("UAA"), MCL 691.1681 *et seq.* Judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction.

**24. Waiver of Jury Trial.** As a material inducement to Landlord to enter into this Lease, except for claims required to be settled by arbitration pursuant to this Lease, Tenant hereby waives its right to a trial by jury of any claims arising out of or relating to its obligations under this Lease or its occupancy of the Premises. Tenant acknowledges that it has read and understood the foregoing provision.

**25. Authorized and binding.** Tenant and each person executing this Lease on its behalf warrant and represent to Landlord that (a) Tenant is validly organized, existing, and authorized to do business under Michigan law; (b) Tenant has full power and lawful authority to enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Tenant in accordance with its terms. Landlord and each person executing this Lease on its behalf warrant and represent to Tenant that (a) Landlord is validly organized, existing, and authorized to do business under Michigan law; (b) Landlord has full power and lawful authority to

enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Landlord in accordance with its terms. This Lease is binding on successors and assigns.

LANDLORD

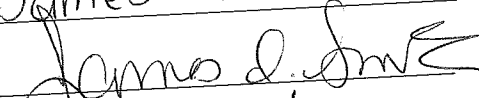
By \_\_\_\_\_

Its \_\_\_\_\_

Dated: \_\_\_\_\_

TENANT

By James I. Smith

Its 

Dated: 10/21/22

## Expense Escalation Lease, Multitenant Building

This Lease is made between Landlord and Tenant, who agree as follows:

1. **Basic Definitions.** The following defined terms will be used throughout this Lease:

- a. Lease Date means [11/1/22].
- b. Landlord means Ypsilanti Community Schools (YCS) or its successors in interest.
- c. Landlord Notice Address is 1885 Packard Road, Ypsilanti, MI 48197.
- d. Tenant means [The Explorer Club/ James I. Smith].
- e. Tenant Notice Address is. [8318 Carpenter Rd, Ypsilanti 48197, [play@theexplorerclub.org](mailto:play@theexplorerclub.org), 734-395-5528]
- f. Premises means [Room 128 at Chapelle Business Center].
- g. Building means [Chapelle Business Center], located at [111 S. Wallace, Ypsilanti 48197]
- h. Property means the Premises, the Building, and all related land.
- i. Rentable Floor Area of Premises means approximately [859] rentable square feet, which does not include an allocated percentage of the common areas.
- j. Term means a period beginning on [11/1/22], and continuing as a month-to-month tenancy.
- k. Commencement Date means [11/1/22].
- l. Expiration Date means [6/30/23].
- m. Rent means Monthly Base Rent and Additional Rent.
- n. Monthly Base Rent means \$[6872].
- o. Monthly Installment of Base Rent means \$[573]. Monthly installment of calculated utilities = \$[156] per month. Total rent plus utilities per month is \$[729].

p. Additional Rent means the reimbursement of all expenses paid or incurred by Landlord in connection with the leased space identified on Exhibit 1, including the following:

p1. Maintenance Expenses (e.g. HVAC units, doors, windows, walls, electrical switches and outlets, light fixtures, bulbs, and required fire and other inspections.)

p2. Utilities (3.9% of the average of electric, gas, sewer and water costs, i.e. \$[1863] annually or \$[156] monthly).

p3. Replacement of the roof, boiler and chiller will be Landlord's responsibility. Additionally, if a leak causes the need for any other repairs to the building, Landlord will assume the expense of repair. Landlord's liability will not extend to Tenant's contents, which should be separately insured by Tenant. The parking lot will be repaired at Landlord's discretion and will be Landlord's sole responsibility.

and all other charges that may become due under the terms of this Lease.

q. Proportionate Share means 3.9%.

r. Base Month means [11/1/22-6/30/23].

s. Operating Expenses means all expenses of every kind paid or incurred by Landlord in connection with the Property. Unless stated otherwise in this agreement.

t. Security Deposit means \$0.

u. Designated Use means [We would propose to use the leased classrooms for overall functional fitness and sport specific personal training for young athletes Ages (8-14). Much of the training would incorporate plyometric exercises. We would also use the gym and available outside areas to add variety and obstacles to our training sessions].

v. Applicable Laws means all statutes, codes, ordinances, administrative rules, regulations, and orders or directives of any governmental authority.

2. **Premises.** Landlord leases the Premises to Tenant. Tenant has inspected the Premises and is satisfied with the condition of the Premises and the Property. Landlord must make reasonable efforts to deliver possession of the Premises on the Commencement Date. Landlord is not liable for damages for failure to deliver possession on the Commencement Date. If Landlord fails to deliver possession tenant may terminate the lease.

Landlord reserves the right to make alterations or additions to the Property, to demolish or build improvements on the Property, and to change the name of the Building, in its sole discretion without the consent of Tenant.

3. **Term.** The Term means the Lease will start on [11/1/22], and will continue as a month-to-month tenancy. In accordance with the State Statutes to terminate the tenancy, the Landlord or Tenant must give the other party written [30 days required for notice of non-renewal], days' notice of non-renewal. The Tenant may only terminate their Agreement on the last day of any month and the Landlord must receive written notification of non-renewal at least [30 days required for notice of non-renewal], days prior to the last day of the month. If the Tenant plans to leave on or after the first of any month, they are responsible for that month's full rent. If the Tenant does not provide the Landlord with a written [30 days required for notice of non-renewal] days' notice, they shall forfeit their full deposit amount. The term commences on the Commencement Date and expires on the Expiration Date, unless otherwise terminated or extended as provided in this Lease.

4. **Monthly Base Rent.** Beginning on the Commencement Date, Tenant will pay Landlord the Monthly Base Rent. Tenant will pay the Monthly Base Rent by Monthly Installment of Base Rent, to the order of Landlord, in advance, on the first day of each calendar month, at Landlord's office or any other place that Landlord designates in writing. Any Rent that is not received within 30 days after its due date will bear simple interest at 10%. If the Commencement Date is other than the first day of a calendar month, the Monthly Installment of Base Rent for the partial first calendar month of the Term will be prorated on a daily basis and paid on the Commencement Date.

5. **Maintenance Expenses.** Tenant will pay as Additional Rent its Proportionate Share of any Maintenance Expenses, i.e. 3.9% of maintenance expenses for HVAC equipment that services the Premises and 100% of maintenance expenses for repairs to the Premises. Cost for repairs will be due net 30 days after invoice. HVAC equipment does not include boiler or chiller replacement, but would include maintenance to those systems.

6. **Liens.** Tenant must maintain the Premises in good repair to the reasonable satisfaction of Landlord, in a clean and safe condition, and in accord with Applicable Laws. Landlord and Tenant will negotiate and define any substantial structural alterations prior to undertaking such changes. Any alterations to the Premises must comply with the Americans with Disabilities Act of 1990.

Tenant must keep the Premises free of construction or other liens. Tenant will hold Landlord harmless against any liens placed against the Premises, except those attributable to the acts of Landlord. If a lien is filed against the Premises as the result of any action undertaken by Tenant, Tenant must discharge the lien within 60 days

after receiving notice of the lien. If Tenant fails to discharge the lien, Landlord may procure a discharge at Tenant's expense, which Tenant must pay immediately on a demand from Landlord.

**7. Hours of Occupancy.** Tenant shall be entitled to occupy the Premises between the hours of **5 A.M.** and **10 P.M.**, **Monday**[day of week] through **Sunday**[day of week]. In the event Tenant wishes to occupy the Premises at other times, it shall notify Landlord in writing of its requested additional occupancy, setting forth the requested date(s) and inclusive times, no less than five (5) business days before the proposed occupancy. Tenant agrees to reimburse Landlord in full for Landlord's actual incremental custodial and other costs associated with making the Premises available to Tenant during such additional occupancy periods.

**8. Services.** Landlord will furnish heat and air-conditioning during normal business hours (**6:00 a.m.** to **8:00p.m.**, Monday through Sunday); electricity; water for ordinary lavatory purposes; and use in common of the Building's common areas, rest rooms, and similar facilities. Landlord will also perform the janitorial services in all common areas. Tenant's leased area should be kept clean by tenant.

No sign may be erected by Tenant on the Premises without the prior written consent of the Landlord, which consent shall not be unreasonably withheld or delayed. If such consent is given, the size, type, design, legend, and location must be in compliance with all applicable laws and ordinances, and must be approved by Landlord. Tenant hereby acknowledges and agrees to maintain, at Tenant's sole cost and expense, any sign erected by Tenant pursuant to this paragraph in good repair and working order at all times. In addition, Tenant hereby agrees to indemnify, defend and hold Landlord harmless (using counsel of Landlord's choice) from and against any cost, expense, claim or liability, including reasonable attorneys' fees, arising from or related to any sign erected by Tenant on the Premises or the maintenance thereof. Any service the Landlord is required to furnish may be furnished by Landlord's managing agent or by one or more independent contractors.

Landlord is not liable for interruption in Utilities caused by riots, strikes, labor disputes, wars, terrorist acts, accidents, or any other cause beyond the control of Landlord. Landlord may interrupt Utilities to make repairs or improvements. Interruption in Utilities does not constitute an act of eviction; nor does any interruption in Utilities release Tenant from any obligation under this Lease, including the payment of Rent.

**9. Holding Over.** If Tenant remains in possession of the Premises after the Expiration Date with the consent of Landlord, it will occupy the Premises as a holdover tenant subject to a new a month-to-month tenancy. Landlord may withhold its consent to holdover in its sole discretion. If Landlord consents to the holdover, Tenant is subject to all the covenants of this Lease to the extent they can be applied to a month-to-month tenancy, except that the Monthly Installment of Base Rent for each



month of the holdover will be one-hundred twenty-five percent of the Monthly Installment of Base Rent payable during the last month of the Term. This covenant does not preclude Landlord from recovering damages if Tenant fails to timely deliver possession of the Premises after termination of the holdover, nor does it establish any right to extend or renew the Term. If Tenant holds over after the expiration of the Term without Landlord's consent, Tenant is liable for all damages resulting from the holdover. It is expressly within the contemplation of the parties that such damages may include (a) the reasonable rental value of the Premises; (b) any damages arising from the loss of any sale, lease, or refinancing of the Premises; (c) any lost profits incurred by Landlord; and (d) any treble, double, or statutory damages allowed under the Applicable Laws.

**10. Quiet Enjoyment.** Unless this Lease is terminated or Tenant is evicted in accord with Michigan law, Landlord will not disturb Tenant's quiet enjoyment of the Premises or unreasonably interfere with Tenant's Designated Use of the Premises. Landlord shall have the right from time to time, upon 24 hours prior notice to Tenant, to inspect the Premises to confirm Tenant's compliance with this Lease. Landlord's inspection shall in no way disrupt or interfere with Tenant's school operation. Tenant must permit Landlord to enter the Premises during regular business hours for the purpose of inspection or to show the Premises to prospective purchasers, mortgagees, and tenants.

**11. Use of the Premises.** The Premises will be used for the Designated Use and for no other purpose. Tenant will not use the Premises in any manner which violates the Building Rules or Applicable Laws. The Building Rules may be amended by Landlord in its reasonable discretion.

**12. Indemnification.** Tenant will indemnify and defend Landlord against all claims for bodily injury or property damage relating to the Premises. The claims covered by this indemnification include all claims for bodily injury or property damage relating to (a) the condition of the Premises; (b) the use or misuse of the Premises by Tenant or its agents, contractors, or invitees; or (c) any event on the Premises, whatever the cause. Tenant's indemnification does not extend to liability for damages resulting from the sole or gross negligence of Landlord or for Landlord's intentional misconduct.

**13. Limitations on Landlord's liability.** The Landlord, as defined in this Lease, includes successors in interest. The term is intended to refer to the owner of the Premises at the time in question. If the Premises are sold, the new owner will automatically be substituted as the Landlord.

Landlord shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining areas or any part of the area adjacent to or connected with the Premises or any part of the structures or improvements on the Premises for any loss or damage

resulting to Tenant or its property from theft or a failure of the security systems, if any, in the Premises or structures containing the Premises, or for any damage or loss of property within the Premises from any cause other than solely by reason of the willful act of Landlord, and no such occurrence shall be deemed to be an actual or constructive eviction from the Premises or result in an abatement of rents.

If Landlord fails to perform this Lease and as a result Tenant recovers a money judgment against Landlord, the judgment will be satisfied out of the execution and sale of Landlord's interest in the Property or by garnishment against the rents or other income from the Property. Landlord is not liable for any deficiency. This section constitutes Tenant's sole and exclusive remedy for breach.

Conditioned solely on the sale of the Property, Tenant agrees to the following release in favor of its then former landlord. Effective on the first anniversary of the date on which Tenant is given notice of the sale, Tenant releases its former landlord from all claims except those expressly preserved in this section. This release is intended to be broadly construed for the benefit of the former landlord and includes (a) all claims regarding the performance of this Lease; (b) all claims for bodily injury or property damage relating to the Premises; and (c) all claims in any other way relating to the Lease, the Premises, or the landlord-tenant relationship. However, this release does not extend to any claim filed in a court of appropriate jurisdiction within one

of the date of sale or to any claim for bodily injury or property damage resulting from the former landlord's gross negligence or intentional misconduct.

**14. Insurance.** Tenant, at Tenant's sole expense, agrees to maintain in force, with a company or companies acceptable to Landlord, during the term of this Lease: (a) Commercial General Liability Insurance on a primary basis covering the Premises on an occurrence basis against all claims for personal injury, bodily injury, death and property damage, including contractual liability covering the indemnification provision in this Lease. Such insurance shall, at a minimum, be maintained in an amount of \$1,000,000.00 per occurrence and an additional \$10,000,000.00 in umbrella coverage for the above claims; (b) Workers' Compensation and Employers' Liability Insurance for an amount of not less than \$500,000.00, both in accordance with the State of Michigan; and (c) In the event a motor vehicle is to be used by Tenant in connection with its business operation from the Premises, Comprehensive Automobile Liability Insurance coverage with limits of not less than \$1,000,000.00 combined single limit coverage against bodily injury and liability arising out of the use by or on behalf of Tenant, its agents and employees in connection with this Lease, of any owned, non-owned or hired motor vehicles.

Each Policy referred to above shall satisfy the following requirements. Each policy shall (i) name Landlord as an additional insured (except Workers' Compensation and Employers' Liability Insurance), (ii) be issued by one or more reasonable insurance companies licensed to do business in the State of Michigan reasonably satisfactory to

Landlord, (iii) where applicable, provide for deductible amounts satisfactory to Landlord, (iv) shall provide that such insurance may not be cancelled or amended without 30 days' prior written notice to Landlord, and (v) shall provide that the policy shall not be invalidated should the insured waive in writing prior to a loss, any or all rights of recovery against any other party for losses covered by such policies. Tenant shall deliver to Landlord certificates of insurance and at Landlord's request, copies of all policies and renewals thereof to be maintained by Tenant hereunder, not less than 10 days prior to the commencement of this Lease and not less than 10 days prior to the expiration date of each policy.

**15. Fire or Other Casualty.** Tenant must give Landlord notice of fire or other casualty on the Premises. In addition to the written notice, Tenant must immediately and with all diligence attempt to contact Landlord by all means available, including telephone, pager, fax, and e-mail, to inform Landlord of the casualty. If the Premises are damaged or destroyed by fire or other casualty, Landlord may terminate this Lease by notice to Tenant. The notice of termination must be given within 30 days after the occurrence of the casualty. If the notice of termination is not given within that period, this termination option will lapse and no longer be effective. Within 30 days after the notice of termination has been given, Tenant must surrender the Premises to Landlord. After the surrender, each party is released from any further obligations under this Lease, with the following exceptions: (a) all Rent accruing through the surrender date must be paid in full, and (b) the Security Deposit will be retained or returned as provided in this Lease. Tenant has no obligation to pay any Rent accruing after the surrender date. If Landlord does not exercise this option within the designated period, Landlord must diligently proceed to repair and restore the Premises to its condition before the casualty.

**16. Assignment and Subletting.** Tenant must not assign this Lease or sublet the Premises without the prior consent of Landlord, which may be withheld in Landlord's sole discretion.

**17. Subordination and Estoppel Certificates.** At Landlord's mortgagee's option, (a) any mortgage or mortgages now or later placed on Landlord's interest in the Premises may be subordinated to this Lease or (b) this Lease may be subordinated to any mortgage or mortgages now or later placed on Landlord's interest in the Premises. The mortgagee's option must be exercised by notice to Tenant. Tenant must execute and deliver, within 30 days after a request, any further instruments, in a form acceptable to the mortgagee, confirming subordination as requested by Landlord or Landlord's mortgagee.

In the event of foreclosure or any conveyance by deed in lieu of foreclosure, Tenant must attorn to Landlord's successor in interest, provided that the successor agrees in writing to recognize Tenant's rights under this Lease. Tenant must execute and deliver, within 30 days after a request, any further instruments, in a form acceptable

to Landlord's successor in interest, attorning to the successor in interest and recognizing it as Landlord under this Lease.

Within 30 days after a demand by Landlord, Tenant must execute and deliver to Landlord an estoppel certificate, in a form acceptable to Landlord, certifying

- a. the Commencement Date;
- b. the Expiration Date;
- c. that this Lease is unmodified and in full force and effect, or is in full force and effect as modified, stating the modifications;
- d. that the Lease is not in default, or a list of any defaults;
- e. that Tenant does not claim any rights of setoff, or a list of rights of setoff;
- f. the amount of Rent due as of the date of the certificate, or the date to which the Rent has been paid in advance;
- g. the amount of any Security Deposit; and
- h. other matters reasonably requested by Landlord.

Landlord and any prospective purchaser of the Premises may rely on this certificate. It is within the contemplation of the parties that Tenant's failure to provide the estoppel certificate could result in the loss of a prospective sale or loan and that Tenant is liable for all damages resulting from such a loss.

**18. Security Deposit.** Within 1 day of the Lease Date, Tenant must deposit the Security Deposit with Landlord. The Security Deposit will be used to secure Tenant's performance of this Lease. Landlord may commingle the Security Deposit with its own funds. If Tenant fails to pay Rent or otherwise commits a Breach, Landlord may apply all or part of the Security Deposit to make the payment or cure the Breach. Landlord's rights under this section are in addition to any other rights or remedies Landlord may have under the terms of this Lease or under Michigan law. If Landlord uses all or part of the Security Deposit, within 60 days after demand by Landlord, Tenant must pay Landlord sufficient funds to restore the Security Deposit to its original amount. Any unused portion of the Security Deposit must be returned to Tenant, without interest, within 30 days of the later of (a) the termination of the Lease, (b) Tenant's surrender of the Premises, or (c) the return of the keys to Landlord. If Landlord uses the Security Deposit, within 60 days after a demand by Landlord, Tenant must pay Landlord sufficient funds to restore the Security Deposit to its original amount. Any unused portion of the Security Deposit will be returned to

Tenant, without interest, within 30 days after Tenant's surrender of the Premises in accord with this Lease.

**19. Remedies.** If any Rent payable by Tenant to Landlord remains unpaid for more than 5 days after the date when rent is due, or if Tenant violates or defaults in the performance of any of its non-monetary obligations in this Lease and the non-monetary violation or default continues for a period of 10 days after written notice (unless the default involves a hazardous condition, which shall be cured forthwith, or unless the failure to perform is a default for which this Lease specifies there is no cure or grace period), then Landlord may (but will not be required to) declare this Lease forfeited and the term ended, or re-enter the Premises, or may exercise all other remedies available under Michigan law. Landlord will not be liable for damages to any persons or property by reason of any legitimate re-entry or forfeiture, and Landlord will be aided and assisted by Tenant, its agents, representatives and employees. Tenant, by the execution of this Lease, waives notice of re-entry by Landlord. In the event of re-entry by Landlord without declaration of forfeiture, the liability of Tenant for the Rent provided herein will not be relinquished or extinguished for the balance of the term, and any Rent prepaid may be retained by Landlord and applied against the costs of re-entry, or as liquidated damages, or both. Tenant will pay, in addition to the Rent, and other sums agreed to be paid hereunder, reasonable attorneys' fees, costs and expenses in any suit or action instituted by involving Landlord to enforce the provisions of, or the collection of the Rent due Landlord under this Lease, including any proceeding under the Federal Bankruptcy Code.

If Tenant is adjudged bankrupt or insolvent, files or consents to the filing of a petition in bankruptcy under Federal or State law, applies for or consents to the appointment of a receiver for all or substantially all of its assets, makes a general assignment for the benefit of its creditors, fails generally to pay its debts or does anything which, under the applicable provisions of the Federal Bankruptcy Code would permit a petition to be filed by or against Tenant, then Tenant shall be in default under this Lease and to the extent from time to time permitted by applicable law, including but not limited to the Federal Bankruptcy Code, Landlord shall be entitled to exercise all remedies set forth in the preceding paragraph. In a reorganization under Chapter 11 of the Federal Bankruptcy Code, the debtor or trustee must assume this Lease or assign it within 60 days from the filing of the proceeding, or he shall be deemed to have rejected and terminated this Lease. Tenant acknowledges that its selection to be a tenant of the Building was premised in material part on Landlord's determination of Tenant's creditworthiness and ability to perform the economic terms of this Lease, and Landlord's further determination that Tenant and the character of its occupancy and use of the Premises would be compatible with the nature of the Building and other tenants thereof. Therefore, if Tenant, as debtor, or its trustee elects to assume or assign this Lease, in addition to complying with all other requirements for assumption or assignment under the Federal Bankruptcy Code, then Tenant, as debtor, or its trustee or assignee, as the case

may be, must also provide adequate assurance of future performance, including but not limited to a deposit, the amount of which shall be reasonably determined based on the duration of time remaining in the term, the physical condition of the Premises at the time the proceeding was filed, and such damages as may be reasonably anticipated after reinstatement of the Lease, taking into account rental market conditions at the time of the reinstatement. In the event of an assignment, Landlord must be reasonable assured that the financial condition of the assignee is sound, and that its use of the Premises will be compatible with the Building and its other tenants.

In the event of declaration of forfeiture at or after the time of re-entry, Landlord may re-lease the Premises or any portion(s) thereof for a term or terms and at a rent which may be less than or exceed the balance of the term of and the Rent reserved under this Lease. In such event Tenant shall pay to Landlord as liquidated damages for Tenant's default any deficiency between the total Rent reserved and the net amount, if any, of the rents collected on account of the lease or leases of the Premises which otherwise would have constituted the balance of the term of this Lease. In computing such liquidated damages, there will be added to the deficiency any expenses for which Landlord may incur in connection with re-leasing the Premises, such as legal expenses, attorneys' fees, brokerage fees and expenses, advertising and for keeping the Premises in good order or for preparing the Premises for re-leasing. Any such liquidated damages will be paid in monthly installments by Tenant on the day rent is due and any suit brought to collect the deficiency for any month will not prejudice Landlord's right to collect the deficiency for any subsequent month by a similar proceeding. In lieu of the foregoing computation of liquidated damages, Landlord may elect, at its sole option, to receive liquidated damages in one payment equal to any deficiency between the total Rent reserved hereunder and the fair and reasonable rental of the Premises.

Whether or not forfeiture has been declared, Landlord will not be responsible in any way for failure to release the Premises or, in the event that the Premises are re-leased, for failure to collect the rent under such re-leasing. The failure of Landlord to re-lease all or any part of the Premises will not release or affect Tenant's Liability for Rent or damages.

**20. Condition on Expiration.** On Expiration, Tenant must promptly deliver all keys for the Premises to Landlord. Tenant will surrender the Premises broom clean and in the same condition as on the Commencement Date, reasonable wear and tear excepted. Any damage to the Premises resulting from the removal of trade fixtures or other items of personal property will be repaired at Tenant's expense. Tenant will reimburse all expenses paid or incurred by Landlord in connection with repairing or restoring the Premises to the designated condition immediately upon demand. Tenant will remove its personal property and trade fixtures from the Premises immediately on termination. Tenant represents that it is Tenant's intention that all personal property and trade fixtures remaining on the Premises after termination are abandoned by Tenant.

**21. Communications.** All notices, demands, requests, consents, and communications required or provided under this Lease (Communications) must be in writing. Any Communications from Landlord to Tenant are deemed duly and sufficiently given if a copy has been: (a) personally delivered; (b) mailed by U.S. mail, postage prepaid; or (c) sent by professional delivery service to Tenant at the Tenant Notice Address or another address that Tenant has designated in writing or emailed to tenant. Any Communications from Tenant to Landlord are deemed duly and sufficiently given if delivered to Landlord in the same manner at the Landlord Notice Address or another address that Landlord has designated in writing. Communications sent by U.S. mail are deemed received on the next regular day for the delivery of mail after the day on which they were mailed.

**22. Construction and Interpretation.** This Lease will be construed in accord with Michigan law. This Lease has been negotiated at arm's length and carefully reviewed by both parties. This Lease is not to be construed against Landlord.

The use of the word *may* in describing the right of a party means that the party has the discretion, but not the obligation, to exercise that right. Furthermore, the exercise of the right is not an election of remedies or a waiver of any other right or claim. The use of the words *will* or *shall* in describing an obligation of a party means that the party must perform that obligation. The use of the words *include* and *including* is intended to be illustrative, not exhaustive.

The parties will rely solely on the terms of this Lease to govern their relationship. This Lease merges all proposals, negotiations, representations, agreements, and understandings with respect to the Lease. There are no representations with respect to the condition of the Premises, or any other matter in any way related to the Premises or this Lease except as expressly set forth in this Lease. There are no damages within the contemplation of the parties except as expressly identified in this Lease. No rights, covenants, easements, or licenses may arise by implication. Reliance on any representation, omission, action, or inaction outside of this Lease is unreasonable and does not establish any rights or obligations on the part of either party. This Lease may only be modified or amended by a written document signed by Landlord and Tenant. There may be no oral modifications or amendments of this Lease, whether or not supported by consideration.

No endorsement or statement on any check or on any letter accompanying any check will be deemed an accord and satisfaction. Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance of the amount due or to pursue any other remedy. Tenant acknowledges that the Monthly Base Rent is a liquidated claim. Tenant waives any requirement that Landlord tender back funds as a condition to bringing an action to collect unpaid Monthly Base Rent. No covenant or breach is intended to be waived unless a waiver is clearly expressed in a document (a) signed by the waiving party; (b) specifically identifying the covenant or

breach; and (c) expressly stating that it is a waiver of the identified covenant or breach. The waiver of a covenant or breach is not construed as a continuing waiver of the same covenant or of any future breach. Consent by Landlord to any act requiring Landlord's consent does not constitute a waiver of the requirement of Landlord's consent with respect to any similar or subsequent act. Tenant is not entitled to surrender the Premises to avoid liability for Rent unless (a) an acceptance of the surrender is evidenced in a document signed by Landlord and (b) the document expressly states that it is the acceptance of a surrender. No action or inaction, other than as expressly provided in this section, may be construed as an acceptance of surrender by Landlord.

Notwithstanding anything to the contrary, Tenant's obligation to pay Rent is a material and independent covenant and is not subject to setoff, recoupment, or suspension. Notwithstanding anything to the contrary, Landlord has no obligation to mitigate any claim for Rent.

Time is of the essence with respect to both the definition of a Material Beach and the exercise of options, if any, within the Lease.

If any covenant of this Lease is invalid, illegal, or unenforceable, that covenant will be enforced to the fullest extent permitted by law, and the validity, legality, and enforceability of the remaining covenants will not in any way be affected or impaired.

**23. Arbitration.** Except for any claim arising out of or relating to Tenant's default in the payment of rent, Landlord and Tenant agree to submit any and all other claims, controversies and disputes between Tenant and Landlord arising out of or relating to the Premises, this Lease, or Tenant's and Landlord's performances due hereunder, to arbitration pursuant to the Michigan Uniform Arbitration Act ("UAA"), MCL 691.1681 *et seq.* Judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction.

**24. Waiver of Jury Trial.** As a material inducement to Landlord to enter into this Lease, except for claims required to be settled by arbitration pursuant to this Lease, Tenant hereby waives its right to a trial by jury of any claims arising out of or relating to its obligations under this Lease or its occupancy of the Premises. Tenant acknowledges that it has read and understood the foregoing provision.

**25. Authorized and binding.** Tenant and each person executing this Lease on its behalf warrant and represent to Landlord that (a) Tenant is validly organized, existing, and authorized to do business under Michigan law; (b) Tenant has full power and lawful authority to enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Tenant in accordance with its terms. Landlord and each person executing this Lease on its behalf warrant and represent to Tenant that (a) Landlord is validly organized, existing, and authorized to do business under Michigan law; (b) Landlord has full power and lawful authority to



enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Landlord in accordance with its terms. This Lease is binding on successors and assigns.

LANDLORD

By \_\_\_\_\_

Its \_\_\_\_\_

Dated: \_\_\_\_\_

TENANT

By James I. Smith

Its James I. Smith

Dated: 10/21/22

## Expense Escalation Lease, Multitenant Building

This Lease is made between Landlord and Tenant, who agree as follows:

1. **Basic Definitions.** The following defined terms will be used throughout this Lease:

- a. Lease Date means 9/1/22.
- b. Landlord means Ypsilanti Community Schools (YCS) or its successors in interest.
- c. Landlord Notice Address is 1885 Packard Road, Ypsilanti, MI 48197.
- d. Tenant means Our House.
- e. Tenant Notice Address is nmotsinger@ourhousemi.org .
- f. Premises means Room 118 at Chapelle Business Center, attached as Exhibit 1.
- g. Building means Chapelle Business Center, located at 111 S. Wallace Ypsilanti, MI, 48197.
- h. Property means the Premises, the Building, and all related land.
- i. Rentable Floor Area of Premises means approximately 859 rentable square feet, which does not include an allocated percentage of the common areas.
- j. Term means 8 month Lease.
- k. Lease Year means the period beginning on 9/1/22, and ending on 6/30/23.
- l. Commencement Date means 9/1/22.
- m. Expiration Date means 6/30/23.
- n. Rent means Annual Base Rent and Additional Rent.
- o. Annual Base Rent means \$6872.
- p. Monthly Installment of Base Rent means \$573. Monthly installment of calculated utilities = \$156 per month. Total rent plus utilities per month is \$729.

q. Additional Rent means the reimbursement of all expenses paid or incurred by Landlord in connection with the leased space identified on Exhibit 1, including the following:

q1. Maintenance Expenses (e.g. HVAC units, doors, windows, walls, electrical switches and outlets, light fixtures, bulbs, and required fire and other inspections.)

q2. Utilities (3.9% of the average of electric, gas, sewer and water costs, i.e. \$1863 annually or \$156 monthly).

q3. Replacement of the roof, boiler and chiller will be Landlord's responsibility. Additionally, if a leak causes the need for any other repairs to the building, Landlord will assume the expense of repair. Landlord's liability will not extend to Tenant's contents, which should be separately insured by Tenant. The parking lot will be repaired at Landlord's discretion and will be Landlord's sole responsibility.

and all other charges that may become due under the terms of this Lease.

r. Proportionate Share means 3.9%.

s. Base Year means 9/1/22- 6/30/23.

t. Operating Expenses means all expenses of every kind paid or incurred by Landlord in connection with the Property. Unless stated otherwise in this agreement.

u. Security Deposit means \$0.

v. Designated Use means Office and meeting space for Our House.

w. Applicable Laws means all statutes, codes, ordinances, administrative rules, regulations, and orders or directives of any governmental authority.

2. **Premises.** Landlord leases the Premises to Tenant. Tenant has inspected the Premises and is satisfied with the condition of the Premises and the Property. Landlord must make reasonable efforts to deliver possession of the Premises on the Commencement Date. Landlord is not liable for damages for failure to deliver possession on the Commencement Date. If Landlord fails to deliver possession tenant may terminate the lease.

Landlord reserves the right to make alterations or additions to the Property, to demolish or build improvements on the Property, and to change the name of the Building, in its sole discretion without the consent of Tenant.

3. **Term.** The Term means 1 Lease Year. The term commences on the Commencement Date and expires on the Expiration Date, unless otherwise terminated or extended as provided in this Lease.

4. **Annual Base Rent.** Beginning on the Commencement Date, Tenant will pay Landlord the Annual Base Rent. Tenant will pay the Annual Base Rent by Monthly Installment of Base Rent, to the order of Landlord, in advance, on the first day of each calendar month, at Landlord's office or any other place that Landlord designates in writing. Any Rent that is not received within **30** days after its due date will bear simple interest at 10%. If the Commencement Date is other than the first day of a calendar month, the Monthly Installment of Base Rent for the partial first calendar month of the Term will be prorated on a daily basis and paid on the Commencement Date.

5. **Maintenance Expenses.** Tenant will pay as Additional Rent its Proportionate Share of any Maintenance Expenses, i.e. **3.9%** of maintenance expenses for HVAC equipment that services the Premises and 100% of maintenance expenses for repairs to the Premises. Cost for repairs will be due net 30 days after invoice. HVAC equipment does not include boiler or chiller replacement, but would include maintenance to those systems.

6. **Liens.** Tenant must maintain the Premises in good repair to the reasonable satisfaction of Landlord, in a clean and safe condition, and in accord with Applicable Laws. Landlord and Tenant will negotiate and define any substantial structural alterations prior to undertaking such changes. Any alterations to the Premises must comply with the Americans with Disabilities Act of 1990.

Tenant must keep the Premises free of construction or other liens. Tenant will hold Landlord harmless against any liens placed against the Premises, except those attributable to the acts of Landlord. If a lien is filed against the Premises as the result of any action undertaken by Tenant, Tenant must discharge the lien within 60 days after receiving notice of the lien. If Tenant fails to discharge the lien, Landlord may procure a discharge at Tenant's expense, which Tenant must pay immediately on a demand from Landlord.

7. **Hours of Occupancy.** Tenant shall be entitled to occupy the Premises between the hours of **6 A.M.** and **11 P.M.**, **Monday**[day of week] through **Sunday**[day of week]. In the event Tenant wishes to occupy the Premises at other times, it shall notify Landlord in writing of its requested additional occupancy, setting forth the requested date(s) and inclusive times, no less than five (5) business days before the proposed occupancy. Tenant agrees to reimburse Landlord in full for Landlord's actual incremental custodial and other costs associated with making the Premises available to Tenant during such additional occupancy periods.

8. **Services.** Landlord will furnish heat and air-conditioning during normal business hours (6:00 a.m. to 8:00p.m., Monday through Sunday); electricity; water for ordinary lavatory purposes; and use in common of the Building's common areas, rest rooms, and similar facilities. Landlord will also perform the janitorial services in all common areas. Tenant's leased area should be kept clean by tenant.

No sign may be erected by Tenant on the Premises without the prior written consent of the Landlord, which consent shall not be unreasonably withheld or delayed. If such consent is given, the size, type, design, legend, and location must be in compliance with all applicable laws and ordinances, and must be approved by Landlord. Tenant hereby acknowledges and agrees to maintain, at Tenant's sole cost and expense, any sign erected by Tenant pursuant to this paragraph in good repair and working order at all times. In addition, Tenant hereby agrees to indemnify, defend and hold Landlord harmless (using counsel of Landlord's choice) from and against any cost, expense, claim or liability, including reasonable attorneys' fees, arising from or related to any sign erected by Tenant on the Premises or the maintenance thereof. Any service the Landlord is required to furnish may be furnished by Landlord's managing agent or by one or more independent contractors.

Landlord is not liable for interruption in Utilities caused by riots, strikes, labor disputes, wars, terrorist acts, accidents, or any other cause beyond the control of Landlord. Landlord may interrupt Utilities to make repairs or improvements. Interruption in Utilities does not constitute an act of eviction; nor does any interruption in Utilities release Tenant from any obligation under this Lease, including the payment of Rent.

9. **Holding Over.** If Tenant remains in possession of the Premises after the Expiration Date with the consent of Landlord, it will occupy the Premises as a holdover tenant on a month-to-month basis. Landlord may withhold its consent to holdover in its sole discretion. If Landlord consents to the holdover, Tenant is subject to all the covenants of this Lease to the extent they can be applied to a month-to-month tenancy, except that the Monthly Installment of Base Rent for each month of the holdover will be one-hundred twenty-five percent of the Monthly Installment of Base Rent payable during the last month of the Term. This covenant does not preclude Landlord from recovering damages if Tenant fails to timely deliver possession of the Premises after termination of the holdover, nor does it establish any right to extend or renew the Term. If Tenant holds over after the expiration of the Term without Landlord's consent, Tenant is liable for all damages resulting from the holdover. It is expressly within the contemplation of the parties that such damages may include (a) the reasonable rental value of the Premises; (b) any damages arising from the loss of any sale, lease, or refinancing of the Premises; (c) any lost profits incurred by Landlord; and (d) any treble, double, or statutory damages allowed under the Applicable Laws.

10. **Quiet Enjoyment.** Unless this Lease is terminated or Tenant is evicted in accord with Michigan law, Landlord will not disturb Tenant's quiet enjoyment of the

Premises or unreasonably interfere with Tenant's Designated Use of the Premises. Landlord shall have the right from time to time, upon 24 hours prior notice to Tenant, to inspect the Premises to confirm Tenant's compliance with this Lease. Landlord's inspection shall in no way disrupt or interfere with Tenant's school operation. Tenant must permit Landlord to enter the Premises during regular business hours for the purpose of inspection or to show the Premises to prospective purchasers, mortgagees, and tenants.

**11. Use of the Premises.** The Premises will be used for the Designated Use and for no other purpose. Tenant will not use the Premises in any manner which violates the Building Rules or Applicable Laws. The Building Rules may be amended by Landlord in its reasonable discretion.

**12. Indemnification.** Tenant will indemnify and defend Landlord against all claims for bodily injury or property damage relating to the Premises. The claims covered by this indemnification include all claims for bodily injury or property damage relating to (a) the condition of the Premises; (b) the use or misuse of the Premises by Tenant or its agents, contractors, or invitees; or (c) any event on the Premises, whatever the cause. Tenant's indemnification does not extend to liability for damages resulting from the sole or gross negligence of Landlord or for Landlord's intentional misconduct.

**13. Limitations on Landlord's liability.** The Landlord, as defined in this Lease, includes successors in interest. The term is intended to refer to the owner of the Premises at the time in question. If the Premises are sold, the new owner will automatically be substituted as the Landlord.

Landlord shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining areas or any part of the area adjacent to or connected with the Premises or any part of the structures or improvements on the Premises for any loss or damage resulting to Tenant or its property from theft or a failure of the security systems, if any, in the Premises or structures containing the Premises, or for any damage or loss of property within the Premises from any cause other than solely by reason of the willful act of Landlord, and no such occurrence shall be deemed to be an actual or constructive eviction from the Premises or result in an abatement of rents.

If Landlord fails to perform this Lease and as a result Tenant recovers a money judgment against Landlord, the judgment will be satisfied out of the execution and sale of Landlord's interest in the Property or by garnishment against the rents or other income from the Property. Landlord is not liable for any deficiency. This section constitutes Tenant's sole and exclusive remedy for breach.

Conditioned solely on the sale of the Property, Tenant agrees to the following release in favor of its then former landlord. Effective on the first anniversary of the

date on which Tenant is given notice of the sale, Tenant releases its former landlord from all claims except those expressly preserved in this section. This release is intended to be broadly construed for the benefit of the former landlord and includes (a) all claims regarding the performance of this Lease; (b) all claims for bodily injury or property damage relating to the Premises; and (c) all claims in any other way relating to the Lease, the Premises, or the landlord-tenant relationship. However, this release does not extend to any claim filed in a court of appropriate jurisdiction within one year of the date of sale or to any claim for bodily injury or property damage resulting from the former landlord's gross negligence or intentional misconduct.

14. **Insurance.** Tenant, at Tenant's sole expense, agrees to maintain in force, with a company or companies acceptable to Landlord, during the term of this Lease: (a) Commercial General Liability Insurance on a primary basis covering the Premises on an occurrence basis against all claims for personal injury, bodily injury, death and property damage, including contractual liability covering the indemnification provision in this Lease. Such insurance shall, at a minimum, be maintained in an amount of \$1,000,000.00 per occurrence and an additional \$3,000,000.00 in umbrella coverage for the above claims; (b) Workers' Compensation and Employers' Liability Insurance for an amount of not less than \$500,000.00, both in accordance with the State of Michigan; and (c) In the event a motor vehicle is to be used by Tenant in connection with its business operation from the Premises, Comprehensive Automobile Liability Insurance coverage with limits of not less than \$1,000,000.00 combined single limit coverage against bodily injury and liability arising out of the use by or on behalf of Tenant, its agents and employees in connection with this Lease, of any owned, non-owned or hired motor vehicles.

Each Policy referred to above shall satisfy the following requirements. Each policy shall (i) name Landlord as an additional insured (except Workers' Compensation and Employers' Liability Insurance), (ii) be issued by one or more reasonable insurance companies licensed to do business in the State of Michigan reasonably satisfactory to Landlord, (iii) where applicable, provide for deductible amounts satisfactory to Landlord, (iv) shall provide that such insurance may not be cancelled or amended without 30 days' prior written notice to Landlord, and (v) shall provide that the policy shall not be invalidated should the insured waive in writing prior to a loss, any or all rights of recovery against any other party for losses covered by such policies. Tenant shall deliver to Landlord certificates of insurance and at Landlord's request, copies of all policies and renewals thereof to be maintained by Tenant hereunder, not less than 10 days prior to the commencement of this Lease and not less than 10 days prior to the expiration date of each policy.

15. **Fire or Other Casualty.** Tenant must give Landlord notice of fire or other casualty on the Premises. In addition to the written notice, Tenant must immediately and with all diligence attempt to contact Landlord by all means available, including telephone, pager, fax, and e-mail, to inform Landlord of the casualty. If the Premises

are damaged or destroyed by fire or other casualty, Landlord may terminate this Lease by notice to Tenant. The notice of termination must be given within 30 days after the occurrence of the casualty. If the notice of termination is not given within that period, this termination option will lapse and no longer be effective. Within 30 days after the notice of termination has been given, Tenant must surrender the Premises to Landlord. After the surrender, each party is released from any further obligations under this Lease, with the following exceptions: (a) all Rent accruing through the surrender date must be paid in full, and (b) the Security Deposit will be retained or returned as provided in this Lease. Tenant has no obligation to pay any Rent accruing after the surrender date. If Landlord does not exercise this option within the designated period, Landlord must diligently proceed to repair and restore the Premises to its condition before the casualty.

**16. Assignment and Subletting.** Tenant must not assign this Lease or sublet the Premises without the prior consent of Landlord, which may be withheld in Landlord's sole discretion.

**17. Subordination and Estoppel Certificates.** At Landlord's mortgagee's option, (a) any mortgage or mortgages now or later placed on Landlord's interest in the Premises may be subordinated to this Lease or (b) this Lease may be subordinated to any mortgage or mortgages now or later placed on Landlord's interest in the Premises. The mortgagee's option must be exercised by notice to Tenant. Tenant must execute and deliver, within 30 days after a request, any further instruments, in a form acceptable to the mortgagee, confirming subordination as requested by Landlord or Landlord's mortgagee.

In the event of foreclosure or any conveyance by deed in lieu of foreclosure, Tenant must attorn to Landlord's successor in interest, provided that the successor agrees in writing to recognize Tenant's rights under this Lease. Tenant must execute and deliver, within 30 days after a request, any further instruments, in a form acceptable to Landlord's successor in interest, attorning to the successor in interest and recognizing it as Landlord under this Lease.

Within 30 days after a demand by Landlord, Tenant must execute and deliver to Landlord an estoppel certificate, in a form acceptable to Landlord, certifying

- a. the Commencement Date;
- b. the Expiration Date;
- c. that this Lease is unmodified and in full force and effect, or is in full force and effect as modified, stating the modifications;
- d. that the Lease is not in default, or a list of any defaults;



- e. that Tenant does not claim any rights of setoff, or a list of rights of setoff;
- f. the amount of Rent due as of the date of the certificate, or the date to which the Rent has been paid in advance;
- g. the amount of any Security Deposit; and
- h. other matters reasonably requested by Landlord.

Landlord and any prospective purchaser of the Premises may rely on this certificate. It is within the contemplation of the parties that Tenant's failure to provide the estoppel certificate could result in the loss of a prospective sale or loan and that Tenant is liable for all damages resulting from such a loss.

**18. Security Deposit.** Within 1 day of the Lease Date, Tenant must deposit the Security Deposit with Landlord. The Security Deposit will be used to secure Tenant's performance of this Lease. Landlord may commingle the Security Deposit with its own funds. If Tenant fails to pay Rent or otherwise commits a Breach, Landlord may apply all or part of the Security Deposit to make the payment or cure the Breach. Landlord's rights under this section are in addition to any other rights or remedies Landlord may have under the terms of this Lease or under Michigan law. If Landlord uses all or part of the Security Deposit, within 60 days after demand by Landlord, Tenant must pay Landlord sufficient funds to restore the Security Deposit to its original amount. Any unused portion of the Security Deposit must be returned to Tenant, without interest, within 30 days of the later of (a) the termination of the Lease, (b) Tenant's surrender of the Premises, or (c) the return of the keys to Landlord. If Landlord uses the Security Deposit, within 60 days after a demand by Landlord, Tenant must pay Landlord sufficient funds to restore the Security Deposit to its original amount. Any unused portion of the Security Deposit will be returned to Tenant, without interest, within 30 days after Tenant's surrender of the Premises in accord with this Lease.

**19. Remedies.** If any Rent payable by Tenant to Landlord remains unpaid for more than 5 days after the date when rent is due, or if Tenant violates or defaults in the performance of any of its non-monetary obligations in this Lease and the non-monetary violation or default continues for a period of 10 days after written notice (unless the default involves a hazardous condition, which shall be cured forthwith, or unless the failure to perform is a default for which this Lease specifies there is no cure or grace period), then Landlord may (but will not be required to) declare this Lease forfeited and the term ended, or re-enter the Premises, or may exercise all other remedies available under Michigan law. Landlord will not be liable for damages to any persons or property by reason of any legitimate re-entry or forfeiture, and Landlord will be aided and assisted by Tenant, its agents, representatives and employees. Tenant, by the execution of this Lease, waives notice of re-entry by Landlord. In the event of re-entry by Landlord without declaration of

forfeiture, the liability of Tenant for the Rent provided herein will not be relinquished or extinguished for the balance of the term, and any Rent prepaid may be retained by Landlord and applied against the costs of re-entry, or as liquidated damages, or both. Tenant will pay, in addition to the Rent, and other sums agreed to be paid hereunder, reasonable attorneys' fees, costs and expenses in any suit or action instituted by involving Landlord to enforce the provisions of, or the collection of the Rent due Landlord under this Lease, including any proceeding under the Federal Bankruptcy Code.

If Tenant is adjudged bankrupt or insolvent, files or consents to the filing of a petition in bankruptcy under Federal or State law, applies for or consents to the appointment of a receiver for all or substantially all of its assets, makes a general assignment for the benefit of its creditors, fails generally to pay its debts or does anything which, under the applicable provisions of the Federal Bankruptcy Code would permit a petition to be filed by or against Tenant, then Tenant shall be in default under this Lease and to the extent from time to time permitted by applicable law, including but not limited to the Federal Bankruptcy Code, Landlord shall be entitled to exercise all remedies set forth in the preceding paragraph. In a reorganization under Chapter 11 of the Federal Bankruptcy Code, the debtor or trustee must assume this Lease or assign it within 60 days from the filing of the proceeding, or he shall be deemed to have rejected and terminated this Lease. Tenant acknowledges that its selection to be a tenant of the Building was premised in material part on Landlord's determination of Tenant's creditworthiness and ability to perform the economic terms of this Lease, and Landlord's further determination that Tenant and the character of its occupancy and use of the Premises would be compatible with the nature of the Building and other tenants thereof. Therefore, if Tenant, as debtor, or its trustee elects to assume or assign this Lease, in addition to complying with all other requirements for assumption or assignment under the Federal Bankruptcy Code, then Tenant, as debtor, or its trustee or assignee, as the case may be, must also provide adequate assurance of future performance, including but not limited to a deposit, the amount of which shall be reasonably determined based on the duration of time remaining in the term, the physical condition of the Premises at the time the proceeding was filed, and such damages as may be reasonably anticipated after reinstatement of the Lease, taking into account rental market conditions at the time of the reinstatement. In the event of an assignment, Landlord must be reasonable assured that the financial condition of the assignee is sound, and that its use of the Premises will be compatible with the Building and its other tenants.

In the event of declaration of forfeiture at or after the time of re-entry, Landlord may re-lease the Premises or any portion(s) thereof for a term or terms and at a rent which may be less than or exceed the balance of the term of and the Rent reserved under this Lease. In such event Tenant shall pay to Landlord as liquidated damages for Tenant's default any deficiency between the total Rent reserved and the net amount, if any, of the rents collected on account of the lease or leases of the Premises which otherwise would have constituted the balance of the term of this Lease. In computing such

liquidated damages, there will be added to the deficiency any expenses for which Landlord may incur in connection with re-leasing the Premises, such as legal expenses, attorneys' fees, brokerage fees and expenses, advertising and for keeping the Premises in good order or for preparing the Premises for re-leasing. Any such liquidated damages will be paid in monthly installments by Tenant on the day rent is due and any suit brought to collect the deficiency for any month will not prejudice Landlord's right to collect the deficiency for any subsequent month by a similar proceeding. In lieu of the foregoing computation of liquidated damages, Landlord may elect, at its sole option, to receive liquidated damages in one payment equal to any deficiency between the total Rent reserved hereunder and the fair and reasonable rental of the Premises.

Whether or not forfeiture has been declared, Landlord will not be responsible in any way for failure to release the Premises or, in the event that the Premises are re-leased, for failure to collect the rent under such re-leasing. The failure of Landlord to re-lease all or any part of the Premises will not release or affect Tenant's Liability for Rent or damages.

**20. Condition on Expiration.** On Expiration, Tenant must promptly deliver all keys for the Premises to Landlord. Tenant will surrender the Premises broom clean and in the same condition as on the Commencement Date, reasonable wear and tear excepted. Any damage to the Premises resulting from the removal of trade fixtures or other items of personal property will be repaired at Tenant's expense. Tenant will reimburse all expenses paid or incurred by Landlord in connection with repairing or restoring the Premises to the designated condition immediately upon demand. Tenant will remove its personal property and trade fixtures from the Premises immediately on termination. Tenant represents that it is Tenant's intention that all personal property and trade fixtures remaining on the Premises after termination are abandoned by Tenant.

**21. Communications.** All notices, demands, requests, consents, and communications required or provided under this Lease (Communications) must be in writing. Any Communications from Landlord to Tenant are deemed duly and sufficiently given if a copy has been: (a) personally delivered; (b) mailed by U.S. mail, postage prepaid; or (c) sent by professional delivery service to Tenant at the Tenant Notice Address or another address that Tenant has designated in writing or emailed to tenant. Any Communications from Tenant to Landlord are deemed duly and sufficiently given if delivered to Landlord in the same manner at the Landlord Notice Address or another address that Landlord has designated in writing. Communications sent by U.S. mail are deemed received on the next regular day for the delivery of mail after the day on which they were mailed.

**22. Construction and Interpretation.** This Lease will be construed in accord with Michigan law. This Lease has been negotiated at arm's length and carefully reviewed by both parties. This Lease is not to be construed against Landlord.

The use of the word *may* in describing the right of a party means that the party has the discretion, but not the obligation, to exercise that right. Furthermore, the exercise of the right is not an election of remedies or a waiver of any other right or claim. The use of the words *will* or *shall* in describing an obligation of a party means that the party must perform that obligation. The use of the words *include* and *including* is intended to be illustrative, not exhaustive.

The parties will rely solely on the terms of this Lease to govern their relationship. This Lease merges all proposals, negotiations, representations, agreements, and understandings with respect to the Lease. There are no representations with respect to the condition of the Premises, or any other matter in any way related to the Premises or this Lease except as expressly set forth in this Lease. There are no damages within the contemplation of the parties except as expressly identified in this Lease. No rights, covenants, easements, or licenses may arise by implication. Reliance on any representation, omission, action, or inaction outside of this Lease is unreasonable and does not establish any rights or obligations on the part of either party. This Lease may only be modified or amended by a written document signed by Landlord and Tenant. There may be no oral modifications or amendments of this Lease, whether or not supported by consideration.

No endorsement or statement on any check or on any letter accompanying any check will be deemed an accord and satisfaction. Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance of the amount due or to pursue any other remedy. Tenant acknowledges that the Annual Base Rent is a liquidated claim. Tenant waives any requirement that Landlord tender back funds as a condition to bringing an action to collect unpaid Annual Base Rent. No covenant or breach is intended to be waived unless a waiver is clearly expressed in a document (a) signed by the waiving party; (b) specifically identifying the covenant or breach; and (c) expressly stating that it is a waiver of the identified covenant or breach. The waiver of a covenant or breach is not construed as a continuing waiver of the same covenant or of any future breach. Consent by Landlord to any act requiring Landlord's consent does not constitute a waiver of the requirement of Landlord's consent with respect to any similar or subsequent act. Tenant is not entitled to surrender the Premises to avoid liability for Rent unless (a) an acceptance of the surrender is evidenced in a document signed by Landlord and (b) the document expressly states that it is the acceptance of a surrender. No action or inaction, other than as expressly provided in this section, may be construed as an acceptance of surrender by Landlord.

Notwithstanding anything to the contrary, Tenant's obligation to pay Rent is a material and independent covenant and is not subject to setoff, recoupment, or suspension. Notwithstanding anything to the contrary, Landlord has no obligation to mitigate any claim for Rent.

Time is of the essence with respect to both the definition of a Material Beach and the exercise of options, if any, within the Lease.

If any covenant of this Lease is invalid, illegal, or unenforceable, that covenant will be enforced to the fullest extent permitted by law, and the validity, legality, and enforceability of the remaining covenants will not in any way be affected or impaired.

23. **Arbitration.** Except for any claim arising out of or relating to Tenant's default in the payment of rent, Landlord and Tenant agree to submit any and all other claims, controversies and disputes between Tenant and Landlord arising out of or relating to the Premises, this Lease, or Tenant's and Landlord's performances due hereunder, to arbitration pursuant to the Michigan Uniform Arbitration Act ("UAA"), MCL 691.1681 *et seq.* Judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction.

24. **Waiver of Jury Trial.** As a material inducement to Landlord to enter into this Lease, except for claims required to be settled by arbitration pursuant to this Lease, Tenant hereby waives its right to a trial by jury of any claims arising out of or relating to its obligations under this Lease or its occupancy of the Premises. Tenant acknowledges that it has read and understood the foregoing provision.

25. **Authorized and binding.** Tenant and each person executing this Lease on its behalf warrant and represent to Landlord that (a) Tenant is validly organized, existing, and authorized to do business under Michigan law; (b) Tenant has full power and lawful authority to enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Tenant in accordance with its terms. Landlord and each person executing this Lease on its behalf warrant and represent to Tenant that (a) Landlord is validly organized, existing, and authorized to do business under Michigan law; (b) Landlord has full power and lawful authority to enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Landlord in accordance with its terms. This Lease is binding on successors and assigns.

LANDLORD

By \_\_\_\_\_

Its \_\_\_\_\_

Dated: \_\_\_\_\_

TENANT

By Natasha D. Madsen

Its Executive Director

4832-7709-6352, v. 1

Dated: \_\_\_\_\_