

LEASE

THIS LEASE, made this 1st day of October 2022, by and between the CITY OF TRAVERSE CITY, of 400 Boardman Avenue, Traverse City, Michigan, 49684, (“Landlord”), by SCHMIDT-ROGERS MANAGEMENT, LLC, of 996 Garfield Woods Dr., Suite D, Traverse City, Michigan, 49686 (Manager) and, Votruba Leather, LLC, a Michigan corporation, of 112 E. Front Street, Traverse City, Michigan, 49684, (“Tenant”).

WITNESSETH:

ARTICLE 1: Basic Lease Definitions.

Lease Date means October 1, 2022.

Landlord means City of Traverse City.

Landlord Notice Address means City of Traverse City c/o Schmidt-Rogers Management, LLC, 996 Garfield Woods Dr., Suite D, Traverse City, MI 49686

Tenant means Votruba Leather, LLC

Tenant Notice Address means 112 E. Front St., Traverse City, MI 49686

Premises means the space containing approx. 2020 ground level square feet located at 112 E. Front Street, Traverse City, MI 49684.

Common Area means those areas which are furnished and may be furnished from time to time in and on the building for the general common and non-exclusive use of Lessee, their offices, agents, employees, customers, invitees and licensees.

Building means the structure consisting of leased spaces and Common Areas located at 112 E. Front St., Traverse City, MI 49684.

Term Means the period of October 1, 2022 through September 30, 2027.

Lease Year means the period beginning on October 1 and ending on September 30.

Commencement Date means October 1, 2022.

Termination Date means September 30, 2027.

Basic Rent:

Annual Rent means:

10/01/2022 - 09/30/23	\$33,092.28
10/01/2023 - 09/30/24	\$36,360.00
10/01/2024 – 09/30/25	As per CPI-U Adjustment
10/01/2025 – 09/30/26	As per CPI-U Adjustment
10/01/2024 – 09/30/25	As per CPI-U Adjustment

Monthly Rent: Monthly Rent shall be 1/12th of Annual Rent.

10/01/2022 - 09/30/23	\$2,757.69
10/01/2023 – 09/30/24	\$3,030.00
10/01/2024 – 09/30/25	As per CPI-U Adjustment
10/01/2025 – 09/30/26	As per CPI-U Adjustment
10/01/2024 – 09/30/25	As per CPI-U Adjustment

Adjustments to Annual Basic Rent:

Base Index Figure: August, 2023 CPI-U : 307.026

Measure Month: August 2023

All subsequent Lease Years shall be subject to a CPI-U Adjustment. Such CPI-U Adjustment and change in the Basic Rent shall be determined according to cost of living changes in the Consumer Price Index for All Urban Consumers (CPI-U). All Items, as published by the Bureau of Labor Statistics, U.S. Department of Labor. The CPI-U for the month of August 2023 is established as the "Base Index Figure" in the computation of adjustment of rent herein provided for. At the commencement of each Lease Year the CPI-U for the preceding August ("Measure Month") shall be ascertained and noted and the rent commencing with the start of such period of the Lease shall be adjusted by increasing the Basic Rent, percentage wise, as the said CPI-U for the Measure Month has increased as compared with the CPI-U of the Base Index Figure. There shall be no adjustment if the CPI-U of the Measure Month is lower than the Based Index Figure. All such adjustments shall be made to the nearest full percentage point. If the official monthly BLS Consumer Price Index is not available for use as a cost-of-living index for the month herein above provided for to be used as a basis for the Basic Rent adjustments, it is agreed that the BLS Consumer Price Index as issued and published for the earliest preceding months should be used in determining such basic rent adjustments.

If at any time during the term hereof the U.S. Bureau of Labor Statistics shall discontinue the issuance of BLS Consumer Price Index, the Landlord shall use

any other standard nationally recognized cost-of-living index then issued and available, which index is published by the U.S. government.

Additional Rent means charges incurred by Tenant for such items as late payment administrative fees, utility payments made by Landlord, damages to the Premises for which Tenant is responsible and for such items otherwise defined in the Lease.

ARTICLE 2: Premises.

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, for the term and on the conditions hereinafter provided, the space consisting of interior ground floor space which is commonly known as 112 E. Front Street and contains an agreed upon combined total of 2020 square feet of ground floor area, all as depicted on the plan attached hereto and by this reference made a part hereof as Attachment A and all appurtenances thereto, located in the Building owned by Landlord situated in the City of Traverse City, State of Michigan, and generally known as the City Opera House Building. *The premises being leased includes the adjacent basement.* Tenant has inspected the Premises and the Common Areas and is satisfied with the condition though is subject to further inspection with respect to asbestos, which inspection Landlord agrees to perform. 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, and the validity of the lease will not be impaired by such a failure.

The space described above and leased to Tenant is hereinafter called the “Premises” and the building structure in which such premises is located is hereinafter called the “Building”. No space outside the building is leased or intended to be included in the premises. Signage may be allowed on the building adjacent to the premises as provided herein.

ARTICLE 2: Use.

The premises are hereby leased for use as a retail shop at 112 E. Front St., Traverse City, MI 49684

ARTICLE 3: Term.

Initial Term: The initial term means sixty (60) months. The premises are hereby leased to Tenant to have and to hold for a term commencing on the Commencement Date and continuing until the Termination Date, unless the term shall be terminated earlier or extended, as provided in this lease. Landlord may make changes to the Common Areas, including parking areas, parking spaces, location of exits, or the direction of traffic flow. Landlord may increase or decrease the number of parking spaces or change the size and configuration of parking areas or parking spaces.

ARTICLE 4: Rent.

(a) Throughout the term hereof, Tenant covenants and agrees to pay to Landlord, at the address specified on page 1 hereof, or at such other address as Landlord shall from time to time designate by written notice to Tenant, rent for the premises as specified in Article I.

(b) Rent shall be due on the first day of each month. This includes the Basic Rent and any applicable Additional Rent. In the event the total amount of rent due is not received by the Landlord by the tenth (10th) day of the month, Tenant shall be charged an administrative fee of one hundred dollars (\$100.00) which shall be considered Additional Rent. Landlord shall be entitled to pursue any available legal remedy in the event Tenant defaults in payments of Basic Rent or Additional Rent.

Notwithstanding anything contained herein to the contrary, it is expressly understood that Landlord shall not be construed or held to be a partner or associate of Tenant in the conduct of its business, the relationship between the parties hereto being at all times that of landlord and tenant.

ARTICLE 5: Repairs.

(a) Landlord agrees, at Landlord's own cost and expense, to maintain the building in good and first-class order, condition and state of repair, and to make the following repairs relating to the premises:

- (i) all structural repairs;
- (ii) all repairs to and replacements of the roof and under flooring;
- (iii) all repairs and maintenance to the exterior of the premises and the building, including sidewalks adjoining same;
- (iv) all repairs and replacements to common area, utilities systems and sewer lines;
- (v) all repairs to any fire sprinkling main and system servicing the premises;
- (vi) all repairs to the interior of the premises if the need therefor arose as a result of Landlord's act or failure to act.
- (vii) abatement of any asbestos.

The Landlord shall not be responsible or liable to the Tenant for any loss or damage resulting to the Tenant's property or to the Tenant from bursting, stoppage or leaking of water, gas, sewer, sprinkler or steam pipes. Nor shall the Landlord be responsible for any repairs

made necessary by the acts of the Tenant, its employees or invitees.

(b) Except as provided above, Tenant shall take good care of the premises, shall do the work required to maintain the premises, the storefront and the fixtures and equipment therein, including the plumbing and electrical systems located in and serving the premises, in good working order. Tenant agrees to repair all damages caused by Tenant or its invitees. Tenant further agrees to pay for and change all air filters monthly on any forced air HVAC System located in and servicing the premises.

(c) If Landlord fails to make any of the repairs or to timely perform any of the other obligations required of Landlord under this lease within thirty (30) days after written notice from Tenant of the necessity therefore, Tenant, in addition to any other rights or remedies available to it hereunder, at law or in equity, shall have the right, but not the obligation, after notice and consultation with Landlord to make said repairs or to perform such obligations on behalf of Landlord and to deduct the entire cost thereof from rent due or to become due hereunder. If, in an emergency in Tenant's opinion, any such repairs are immediately necessary for the proper use, enjoyment or preservation of the premises, no prior thirty (30) days' notice shall be required but Tenant shall give Landlord whatever notice is reasonable in the circumstances and may forthwith make said repairs on behalf of Landlord and deduct the entire cost thereof from rent due or to become due hereunder.

(d) At the end, expiration or other termination of the term hereby granted, Tenant shall deliver up the premises in good order and condition, reasonable wear and tear and damage by casualty, fire, condemnation, the elements or Landlord excepted. Tenant shall repair any damages to the Premises or Building caused by Tenant, its employees, agents or invitees.

(e) In order to secure Tenant's obligations under the terms of this Agreement, **Tenant shall upon the execution of this lease, deposit with Landlord the sum of Three Thousand Thirty Dollars (\$3,030.00) as security deposit.** Upon termination of this lease the Landlord shall return such deposit to the Tenant less (1) any amounts expended to repair or clean the premises, (2) any unpaid rentals or late payment fees then due, and (3) the cost of performing any obligations imposed upon Tenant by this lease. The existence of this security deposit shall not excuse the payment of any monthly rental amount and, in particular, shall not excuse the payment of the last month's rent due under this lease agreement.

ARTICLE 6: Compliance With Public Authorities.

Tenant shall during the term hereby granted comply with all statutes, ordinances, rules, orders, regulations or requirements of the federal, state and local governments which must be complied with by reason of the nature of the use of the premises by Tenant, and shall also comply with and execute all rules, orders and regulations issued or made by the Board of Fire Underwriters for the prevention of fires, which must be complied with by reason of the nature of the use of the premises by the Tenant. In no event, however, shall Tenant be required to make structural repairs or to remove any asbestos-containing material or other hazardous substance existing at the premises, it being understood and agreed all such work shall be Landlord's

responsibility at its own expense if the same shall be necessary to comply with the aforesaid statutes, ordinances, rules, orders, regulations or requirements.

ARTICLE 7: Increase in Insurance.

Tenant shall not use or occupy the premises or permit the same to be used or occupied for any business or purpose deemed hazardous on account of fire or otherwise, and, if by reason of the hazardous use and occupancy of the premises hereunder the rate of fire insurance on the building in which the premises are located shall be increased, Tenant will, on demand, pay to Landlord the amount of such increase. Landlord, prior to making any demand therefor, shall give Tenant ten (10) days' written notice of any such future increased insurance premiums and an opportunity to cure the condition which caused such increase. Landlord covenants that Landlord will not permit any space in the building to be used or occupied for any purpose deemed hazardous on account of fire or otherwise so as to cause an increase in the rate of fire insurance applicable to the premises, and that if by reason of such use of occupancy of any such space, the rate of fire insurance on any of the contents of the premises shall be increased, Landlord will, on demand, pay to Tenant the amount of such increase.

ARTICLE 8: Access to Premises.

Landlord, its duly authorized agents and representatives, shall have the right, following reasonable prior notice to Tenant (except in the case of an emergency), to enter into and upon the premises during Tenant's business hours for the purpose of examining the same or making such repairs therein as may be necessary for the safety and preservation thereof.

Landlord shall have the right, following reasonable notice to Tenant, during Tenant's business hours, to show the premises to persons wishing to purchase the building, and shall also have the right, following reasonable notice to Tenant, during the three (3) months next preceding the expiration of the term hereby granted and during Tenant's business hours, to show the premises to persons wishing to rent the premises.

Landlord agrees that any entry by it into the premises shall be done in such a manner so as not to unreasonably interfere with the conduct of normal business operations therein. Landlord shall exert its best efforts to perform any and all work expeditiously and agrees to keep all interruptions to Tenant's business to a minimum. If as a result of any entry by Landlord into the premises it is necessary to Tenant to suspend business operations therein, then rent shall abate for the period of time normal business operations are suspended.

ARTICLE 9: Alterations, Signs and Awnings.

(a) Tenant shall not make any structural alterations or improvements to the premises or any alterations or improvements to the central building systems or to the life or safety systems (including the sprinkler system) of the building without in each instance obtaining the written consent of the Landlord, which consent Landlord covenants and agrees not to unreasonably withhold, condition or delay. Tenant shall have the right, however, without the necessity of

obtaining Landlord's consent, to make nonstructural alterations and improvements to the premises.

(b) All alterations, additions and improvements made by Tenant upon the premises shall remain upon the premises at the termination of this lease, except that any trade fixtures, furniture, equipment signs and personal property installed by Tenant in the premises during the term hereof may be removed by Tenant from the premises at Tenant's cost and expense.

(c) Only after written design approval by Landlord, Tenant shall have the right, at all times and from time to time, at its own expense, to install and maintain, replace and relocate on the building adjacent to the premises its standard identifying signs, awnings, and lighting effects as are or may be, from time to time, used or adopted by Tenant. Landlord's approval shall not be unreasonably withheld. Landlord shall attempt to decide a request within ten (10) days. Tenant shall also have the right to place Tenant's standard professionally made signs in its windows in accordance with Tenant's regular advertising and promotional programs.

(d) Tenant shall not modify the facade of the building.

(e) In each and every case, however, Tenant, in exercising its rights under this Article 10, shall do all work at its own cost and expense and in full accordance with all rules and regulations of any governmental authority having jurisdiction and shall save Landlord harmless on account of filing of mechanics' liens or for any other cause arising from Tenant's making of such alterations or installations.

ARTICLE 10: Utilities.

(a) Tenant is responsible for all utilities separately metered to the premises, including electrical, natural gas, water and sewer. If Landlord pays for any of these utilities due to Tenant's failure to do so, such payments shall constitute Additional rent.

ARTICLE 12: Real Estate Taxes.

Commencing with the Commencement Date, Tenant agrees to pay all personal property taxes and assessments levied against the premises or any part thereof and all property on the premises for and payable during each tax fiscal year thereafter occurring during the term of this lease.

ARTICLE 11: Common Area.

Landlord agrees throughout the term of this lease to properly maintain and operate all Common Areas and facilities or appurtenances to the building and to keep same in good order and condition and properly lighted and cleaned. The Tenant shall have the obligation to remove or contract for prompt removal of snow and ice from the sidewalk adjacent to that part of the building housing the premises and trash removal from a designated dumpster.

ARTICLE 12: Insurance.

(a) Landlord represents that it is currently carrying and that throughout the term of this lease, Landlord shall carry fire and extended coverage insurance in so-called “all risk” form upon the building and improvements thereof. Such coverage shall include damage by fire and other casualty typically covered under an “all risk” policy in the vicinity of the building, but in all events to include coverage for collapse, vandalism, water damage and sprinkler leakage, comprehensive boiler and machinery insurance and flood and earthquake insurance. It is expressly understood that “within the vicinity of the building” shall only apply in instances where an occurrence happens within property owned by Landlord. Landlord’s insurance shall be in amounts sufficient to prevent Landlord from becoming a co-insurer within the terms of the applicable policies and in an amount equal to the actual replacement cost of the building and improvements thereof, including the value of all additions, alterations, replacements and repairs thereto, by whomever made, as well as the machinery, equipment and their systems forming a part thereof.

(b) Tenant agrees to keep the premises insured under its general liability policy, and fire legal liability policy, each with single policy limits of not less than \$1,000,000.00 for personal injuries and \$250,000.00 for property damage, and shall deliver to Landlord a certificate of such insurance naming Landlord as “additional insured”. If Tenant serves alcoholic beverages or allows them to be consumed on the premises and any consideration is paid by consumers of the alcoholic beverages to Tenant, Tenant shall obtain liquor liability insurance having the same limits as its liability insurance and naming the Landlord as “additional insured.” If Tenant serves alcoholic beverages and allows them to be consumed on the premises and no consideration is paid by consumers of the alcoholic beverages to Tenant, Tenant shall obtain host liquor liability insurance having the same limits as its liability insurance and naming the Landlord as “additional insured.” In any case where liquor liability or host liquor liability insurance is required by this subsection, Tenant shall provide Landlord’s property manager and obtain approval of Landlord’s property manager prior to any such case.

(c) All insurance policies maintained by either party pursuant to this Article shall contain a clause or endorsement under which the insurer waives all rights of subrogation against the other party and its agents and employees for losses payable under the policy, unless such clause would invalidate the insurance policy or cause any party to pay more for the policy of insurance.

ARTICLE 13: Fire & Casualty Damage.

(a) Except as provided in paragraph (c) hereof, if during the term hereof the premises or the building shall be damaged in whole or in part by fire or other casualty, Landlord shall, proceeding with all reasonable diligence and at its expense, repair the damage and restore the premises and the building to the same condition as existed immediately prior to such damage.

(b) Tenant shall be entitled to an abatement of all rent and charges to the extent and for the period during which the premises are untenable or incapable of Tenant’s normal use,

such abatement to continue until the first to occur of (I) the date Tenant re-opens in the premises for its normal business, or (ii) one hundred twenty (120) days following the date on which Landlord completes its repair and restoration pursuant to paragraph (a) above. It is further agreed that the term of this lease shall, at Tenant's option, be extended by the same number of days as normal business shall not have been conducted in the premises due to the damage or destruction.

(c) Notwithstanding the foregoing, if the premises or the building shall be damaged or destroyed by fire or other casualty during the last year of the term of this lease and the damage is of such a nature that it cannot be restored with the exercise of due diligence within ninety (90) days following the date on which restoration work is begun, then either Landlord or Tenant may terminate this lease by notice given to the other within forty five (45) days after the date of the damage. If, however, Landlord shall so terminate and at such time Tenant shall have the right to renew the term of this lease, then Tenant, within thirty (30) days after receipt of such notice of termination from Landlord, may advise Landlord, in writing, of its election to exercise its next available renewal option, in which event Landlord's purported termination shall be deemed a nullity and Landlord shall repair the damage as provided in this Article.

(d) If this lease shall be terminated as aforesaid, then this lease shall terminate and come to an end as of the date of the damage giving rise to such termination with the same force and effect in all respects as if such termination was the expiration date set forth herein, and rent and other charges payable hereunder shall be apportioned and paid up to the date of said damage and any prepaid unearned rent and other charges payable hereunder shall forthwith be repaid by Landlord to Tenant.

(e) If Landlord shall fail to commence to repair or restore the premises or the building as specified in this Article within ninety (90) days after the damage has occurred, and to proceed thereafter to complete such repairs and restoration with due diligence, then and in such event, Tenant may give Landlord ten (10) days' prior written notice of its election either to (I) terminate this lease on the date specified in such notice, or (ii) rebuild the premises on behalf of Landlord, in which latter event Tenant shall have the right to deduct the entire cost of such reconstruction from rent due or to become due hereunder together with interest at the highest rate permitted by law.

(f) If any portion of the building or its appurtenances other than the premises is damaged or destroyed to the extent that Tenant, exercising its reasonable option, cannot profitably operate its business on the premises, then Tenant has the right, at its option, (I) to close its business, in which event all rent and other charges payable by Tenant hereunder shall abate for such period of time as the premises remain closed, or (ii) to continue its business operations in the premises and pay to Landlord, a percentage of Basic Rent equal to the percentage of tenantable space that can be used plus all additional rent, taxes, utilities and other costs it is obligated to pay under this lease until such time as all such damage and destruction has been repaired and restored.

ARTICLE 14: Condemnation.

(a) In the event that during the term of this lease the premises or any part thereof, or the use, possession or access thereof, is taken in condemnation proceedings, by any right of eminent domain or for any public or quasi-public use, this lease and the term hereby granted shall terminate and expire on the date when possession shall be taken by the condemning authorities, and rent and all other charges payable hereunder shall be apportioned and paid in full up to that date and all prepaid unearned rent and all other charges payable hereunder shall forthwith be repaid by Landlord to Tenant. As of such date of taking, this lease shall be deemed terminated and of no further force and effect and neither Landlord nor Tenant shall be liable to the other for any future rent or other charges payable hereunder.

(b) Notwithstanding the foregoing, if only a part of the premises shall be so taken or condemned, and, in Tenant's reasonable opinion, the remaining portion of the premises shall be adequate and suitable for the purposes of its business, then this lease shall continue in full force and effect except that the annual rent and other charges payable hereunder shall be reduced in the proportion that the gross floor area of the part so taken or condemned shall bear to the total gross floor area of the premises (exclusive of the basement) immediately prior to such taking. In such case, Landlord shall, at Landlord's cost and expense, as speedily as circumstances permit, repair all damage to the premises and the building as shall have been caused by such partial condemnation and taking (including, but not limited to, the basic building, the storefront and all glass therein). Rent and all other charges payable hereunder shall abate until the premises have been restored to a tenantable condition, including a reasonable period after the completion of Landlord's reconstruction for Tenant to refixture and restock the premises. Tenant hereby waives all rights in condemnation awards, except awards for Tenant's fixtures and equipment and any separate awards which may be made for Tenant's relocation expenses, value of improvements and the like.

(c) If as a result of a condemnation or taking for a temporary use or occupancy of all or any part of the premises Tenant does not operate its business in the premises for a period of more than one (1) business day, then all rent and other charges payable hereunder shall abate for such period of time as the premises remain closed.

ARTICLE 15: Subordination of Lease and Non-Disturbance.

This lease shall be subject and subordinate to the lien of any bank or institutional mortgage or mortgages or deed of trust or deeds of trust now or hereafter in force against the land and building of which the premises are a part, and to all advances made upon the security thereof, provided the holder of such mortgage or deed of trust shall execute and deliver to Tenant an agreement in recordable form that it will recognize this lease and all of Tenant's rights hereunder and not disturb Tenant's possession of the premises in the event of foreclosure or the exercise of any other right or remedy if Tenant is not then in default hereunder beyond the expiration of all applicable grace, notice and cure periods. Tenant agrees to execute such further instrument or instruments as may be necessary to subordinate this lease to the lien of any such mortgage or deed of trust.

ARTICLE 16: Assignment/Subletting.

(a) Tenant shall not have the right to assign this lease, or to sublet or license the whole or any portion of the premises. However, any such action shall not release or discharge Tenant from any of its obligations under this lease.

(b) Notwithstanding any provision to this Lease, it is agreed that Tenant may assign this Lease or sublet the whole or any part of the Premises without prior Landlord approval to its parent corporation, or to any subsidiary of its parent corporation, or to any corporation now or hereafter affiliated with Tenant (including a subsidiary, affiliate or controlling corporation), or to any entity which may result from a merger or consolidation by or with Tenant, or to any corporation, entity or person(s) to which Tenant sells all or substantially all of its operating assets or who shall acquire all or any portion of Tenant's capital stock. Further, nothing in this Lease shall limit the issuance or sale of Tenant's capital stock in connection with a public offering.

ARTICLE 17: Default.

(a) It is covenanted and agreed that if (i) Tenant shall default in the payment of the rent or any item of additional rent, or any part of either, and such default shall continue for fifteen (15) days after written notice to Tenant, or (ii) Tenant shall default in fulfilling any of the other covenants of this lease and such default shall continue for a period of thirty (30) days after written notice thereof from Landlord specifying such default, and such default shall thereafter continue beyond such period as is reasonably necessary to correct such default and Tenant is not diligently occupied in correcting the same, or (iii) the estate hereby created shall be taken on execution or by other process of law, or (iv) Tenant shall be judicially declared bankrupt or insolvent according to law, or (v) any assignment shall be made of the property of Tenant for the benefit of creditors, and if a receiver, guardian, conservator, trustee in voluntary bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of Tenant's property by a court of competent jurisdiction, or (vi) a petition shall be filed by the reorganization of Tenant under any provisions of the Bankruptcy Act now or hereafter enacted and such proceeding is not dismissed within ninety (90) days after it is begun, or (vii) Tenant shall file a petition for such reorganization, or for arrangements under any provisions of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for the payment of debts, then, in any of said events (notwithstanding any former breach of covenant or waiver of the benefit hereof or consent in a former instance), Landlord lawfully may, immediately or at any time thereafter, upon prior written notice, enter into and upon the premises or any part thereof in the name of the whole, and repossess the same as of its former estate, and expel Tenant, and those claiming through or under it, and remove its or their effects without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant. Upon entry as aforesaid this lease shall terminate. Tenant covenants and agrees, notwithstanding any entry or re-entry by Landlord, whether by summary proceedings, termination or otherwise, to pay and be liable for on the days originally fixed herein for the payment thereof, amounts equal to the several instruments or rent and other charges reserved as they would, under the terms of this lease, become due if this lease had not been terminated, or if Landlord had not entered or re-entered, as aforesaid, and whether the premises

be relet or remain vacant, in whole or in part, for the remainder of the term or for a period less than the remainder of the term; but if the premises be relet by Landlord, Tenant shall be entitled to a credit in the net amount of rent received by Landlord in reletting the premises, after deduction of all reasonable expenses (including, without limitation, reasonable attorney and brokerage fees, and the like), and in collecting the rent in connection therewith. In the event of termination by Landlord as aforesaid, Landlord agrees to use reasonable efforts to relet the premises so as to minimize the damages suffered by Landlord and payable by Tenant.

(b) If Landlord shall fail to perform any of its obligations under this lease and as a direct result thereof Tenant finds it necessary to close its business operations in the premises, or if any action of Landlord, its agents or employees shall cause Tenant to close its business operations in the premises, then, in any such event, all rent and other payments required to be made by Tenant under this lease shall abate until such time as Tenant shall be able to reopen the premises for business. Without in any way limiting Tenant's rights aforesaid, it is further agreed that in the event that Landlord shall default in the performance of any of its obligations under this lease, which default materially and adversely affects Tenant's quiet enjoyment and/or use of the premises, and such default continues for a period of more than thirty (30) days after written notice from Tenant specifying such default (or if such default requires more than thirty (30) days to remedy, if it continues after such notice beyond the time reasonably necessary to cure) Tenant shall have the right, in addition to all other remedies available hereunder or available at law or in equity, to terminate this lease upon written notice to Landlord.

ARTICLE 19: Miscellaneous Provisions.

(a) Notices. Whenever by the terms of this lease any notice, request, demand or other communication shall or may be given, either to Landlord or to Tenant, the same must be in writing, and shall be sent by registered or certified mail (return receipt requested), postage prepaid, or shall be delivered by private overnight carrier or by hand delivery as follows:

If to Landlord: addressed to Manager, Schmidt-Rogers Management, LLC, 996 Garfield Woods Dr., Suite D, Traverse City, MI 49686;

If to Tenant: addressed to Tenant at the address set forth on the first page of this lease (or to such other address or addresses as may from time to time hereafter be designated by Tenant by like notice).

Except as otherwise specifically provided herein, all such notices shall be effective when actually received or refused by the party to whom it is addressed.

(b) Force Majeure. In the event that either party shall be prevented, delayed or hindered in the performance of any of its obligations under this lease due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, enemy or hostile governmental action, riot, civil commotion, fire or other casualty, or any cause otherwise beyond the reasonable control of the party obligated to perform (excluding

the financial inability of such party to perform), such event shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage; provided, however, the foregoing shall not be applicable to the payment of rent or other sums due pursuant to this lease. Further, if after using due diligence Tenant is unable within ninety (90) days from the date hereof to secure all necessary municipal approvals and/or building permits prerequisite to the construction and/or operation of its retail business in the premises, then Tenant shall have the right, within ten (10) days following said ninety (90) day period to terminate this lease without further obligation of any kind.

(c) Holdover. Any statute, law, custom or practice to the contrary notwithstanding, this lease and the term hereby granted shall in any event terminate, expire and come to an end on the date herein specified for the termination thereof, without notice of any kind from either party to the other. In the event Tenant holds over after said date except under a renewal of this lease as hereinafter provided, then and in such event Tenant shall be deemed a month to month Tenant and at one and a half (1.5) times the current monthly fixed rental and otherwise on the same terms as herein provided.

(e) No Waiver. A waiver by either party of any breach or failure by the other to perform any of the covenants, agreements or conditions of this lease shall not bar the enforcement of any other rights or remedies for any subsequent breach or failure of any of the same or other covenants, agreements or conditions.

(f) Broker. Landlord was represented in this transaction by Schmidt-Rogers Management, LLC and Tenant was represented by _____ and unless otherwise agreed each party shall be responsible for payment of its own real estate agent's fees/commissions.

(g) Estoppel Certificates. Landlord and Tenant agree, on the written request of the other, to provide each other promptly, with a written statement certifying the status of the lease, the dates of commencement or expiration hereof, the rentals payable hereunder, the existence (if any) of any defaults hereunder and/or any other matter or thing reasonably requested with regard to this lease or the effectiveness hereof.

(h) Approvals. Whenever under this lease provision is made for Tenant to obtain the written consent or approval of Landlord, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

(i) Provisions Binding. Except as specifically stated herein, this lease and all of the terms and provisions hereof shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. If more than one person or entity sign this Lease as Tenant, each is separately and jointly liable for the obligations in this Lease.

(j) Recording. This lease shall not be recorded. However, upon request of either

Landlord or Tenant, the parties agree to enter into a short form notice of lease (in form proper for recording), which instrument may be recorded by, and at the expense of, the party so requesting.

(k) Law To Govern. This lease shall be governed by and construed pursuant to the laws of the state of Michigan, as such laws may exist from time to time during the term hereof.

(l) Transmittal of Lease. Notwithstanding any actions to the contrary, the transmittal of this lease and any discussion thereof by the parties shall not constitute any binding legal agreement. This lease shall be effective only upon actual execution and delivery thereof by both of the parties hereto.

(m) Entire Agreement/Invalidity. This lease contains and embraces the entire agreement between the parties hereto and may not be changed or terminated orally or by any agreement unless such agreement shall be in writing and signed by the party against whom enforcement of such change or termination is sought. If any term, clause or provision of this lease shall be judged to be invalid, the validity of any other term, clause or provision hereof shall not be affected thereby.


(n) Headings. It is agreed that the headings of the various paragraphs herein are for reference only and are not to be construed as part of this agreement.

IN WITNESS WHEREOF, each of the parties has caused this instrument to be executed on its behalf and its corporate seal to be hereunto affixed by its officers hereunto duly authorized, and each of the individual parties hereto has hereunto set his hand and seal, all in duplicate original, the day and year first above written.

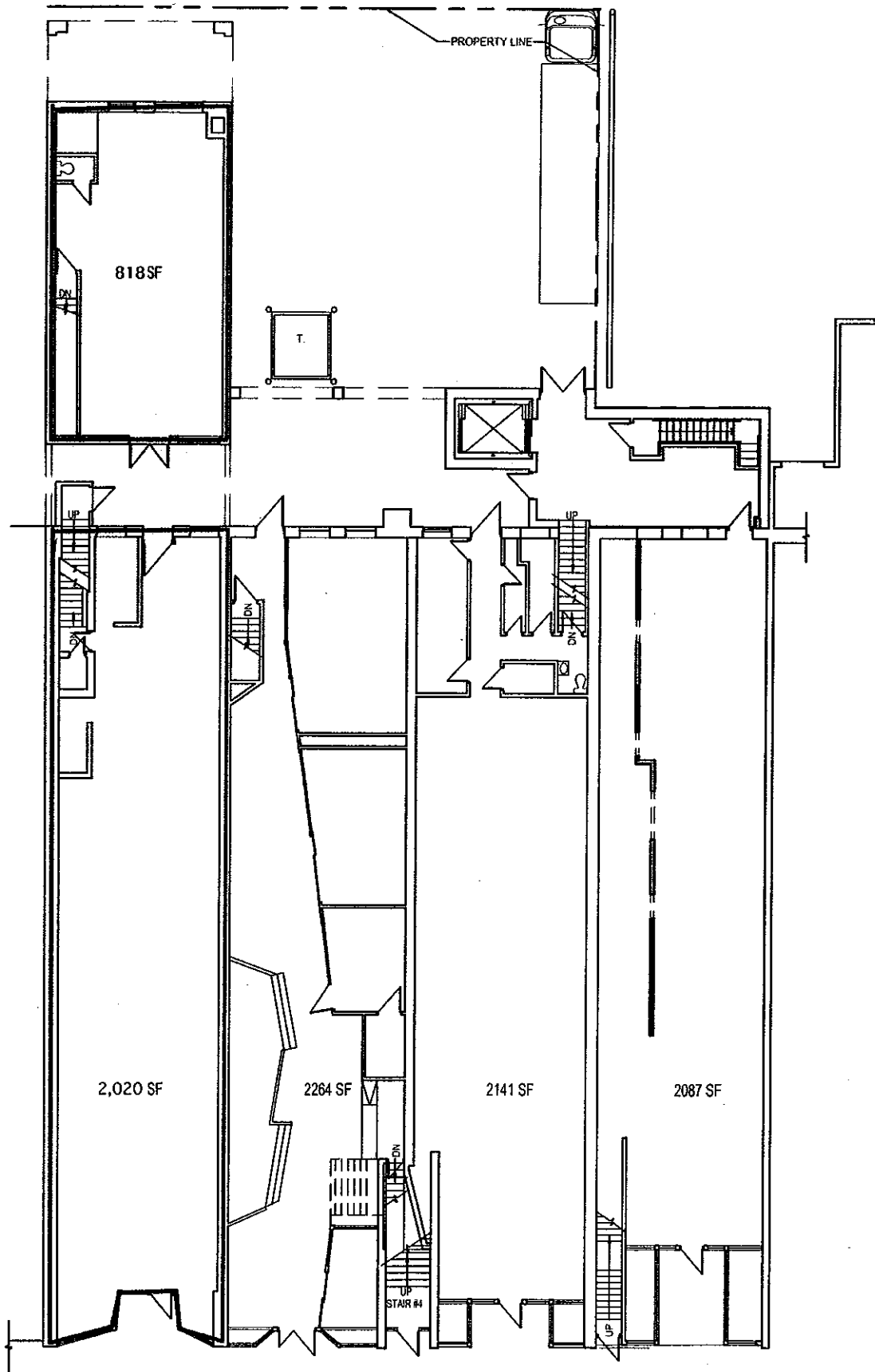
CITY OF TRAVERSE CITY ("LANDLORD")
By: SCHMIDT-ROGERS MANAGEMENT, LLC
("MANAGER") ITS AGENT

By: MICHAEL ROGERS
MICHAEL ROGERS

VOTRUBA LEATHER, LLC ("TENANT")

By: 
Steve Ball
Its: Managing Member

Attachments: Diagram of Premises



Attachment A

Attachment A






VOTRUBA LEATHER LEASE 2022 - 2027

Final Audit Report

2023-09-22

Created:	2023-09-21
By:	Michael Rogers (michael@schmidtrogers.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAABLaQL1IXaJM51sPYcw7eoyYIBSfEKTHQ

"VOTRUBA LEATHER LEASE 2022 - 2027" History

-  Document created by Michael Rogers (michael@schmidtrogers.com)
2023-09-21 - 7:58:46 PM GMT
-  Document emailed to Steve Ball (steve@michigangutters.net) for signature
2023-09-21 - 7:59:35 PM GMT
-  Email viewed by Steve Ball (steve@michigangutters.net)
2023-09-22 - 7:27:42 PM GMT
-  Document e-signed by Steve Ball (steve@michigangutters.net)
Signature Date: 2023-09-22 - 7:40:21 PM GMT - Time Source: server
-  Agreement completed.
2023-09-22 - 7:40:21 PM GMT