COMMERCIAL LEASE AGREEMENT

THIS LEASE (this "Lease") dated this 16th **day of** September, 2022

BETWEEN:

Village of Northport, Michigan of 116 W Nagonaba St, Northport, MI 49670
Telephone: (231) 386-5182
(the "Landlord")

OF THE FIRST PART

- AND -

Northport Public School of 104 S Wing St, Northport, MI 49670
a general powers school in the state of Michigan
Telephone: (231) 386-5153
(the "Tenant")

OF THE SECOND PART

IN CONSIDERATION OF the Landlord leasing certain permises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations set forth in this Lease, the receipt and sufficiency of which consideration is hereby acknowledged, the Parties to this Lease (the "Parties") agree as follows:

Definitions

1. When used in this Lease, the following expressions will have the meanings indicated:

   a. "Additional Rent" means all amounts payable by the Tenant under this Lease except Base Rent, whether or not specifically designated as Additional Rent elsewhere in this Lease;

   b. "Building" means all buildings, improvements, equipment, fixtures, property and facilities from time to time located at 164 S High St, Northport, MI 49670, USA, as from time to time altered, expanded or reduced by the Landlord in its sole discretion;

   c. "Common Areas and Facilities" mean:

      i. those portions of the Building areas, buildings, improvements, facilities, utilities, equipment, and installations in or forming part of the Building which from time to time are not designated or intended by the Landlord to be leased to tenants of the Building including, without limitation, exterior weather walls, roofs, entrances and exits, parking areas, driveways, loading docks and areas, storage, mechanical and electrical rooms, areas above and below leasable premises and not included within leasable premises, security and alarm equipment, grassed and landscaped areas, retaining walls and maintenance, cleaning and operating equipment serving the Building; and;

      ii. those lands, areas, buildings, improvements, facilities, utilities, equipment and installations which serve or are for the useful benefit of the Building, the tenants of the Building, or the Landlord and those having business with them, whether or not located within, adjacent to or near the Building and which are designated from time to time by the Landlord as part of the Common Areas and Facilities;

d. "Leasable Area" means with respect to any rentable premises, the area expressed in square feet of all floor space including floor space of mezzanines, if any, determined, calculated and certified by the Landlord and measured from the exterior face of all exterior walls, doors and windows, including walls, doors and windows separating the rentable premises from enclosed Common Areas and Facilities, if any, and from the center line of all interior walls separating the rentable premises from adjoining rentable premises. There will be no deduction or exclusion for any space occupied by or used for columns, ducts or other structural elements;

e. "Premises" means the building at 164 S High St, Northport, MI 49670.

f. "Rent" means the total of Base Rent and Additional Rent.

Intent of Lease

2. It is the intent of this Lease and agreed to by the Parties to this Lease that rent for this Lease will be on a gross rent basis meaning the Tenant will pay the Base Rent and any Additional Rent and the Landlord will be responsible for all other service charges related to the Premises and the operation of the Building save as specifically provided in this Lease to the contrary.

Leased Premises

3. The Landlord agrees to rent to the Tenant the building municipally described as 164 S High St, Northport, MI 49670 (the "Premises").

   The Premises will be used for only the follwoing permitted use (the "Permitted Use"): children's day care or other youth-related day programs approved by the Landlord and the Tenant.

4. Subject to the provisions of this Lease, the Tenant is entitled to the use of parking (the "Parking") on or about the Premises. Only properly insured motor vehicles may be parked in the Tenant's Parking.

Term

5. The term of the Lease is a periodic tenancy commencing at the time of signing of this Lease and continuing on year-to-year basis until the Landlord or the Tenant terminates the tenancy (the "Term"). Termination of this Lease by the Landlord requires that the Tenant receives notification of such termination a minimum of ninety (90) days prior to the date of termination. Termination of this Lease by the Tenant requires that the Landlord receives notification of such termination a minimum of thirty (30) days prior to the date of termination.

Rent

6. Subject to the provisions of this Lease, the Tenant will pay a base rent of $1.00, payable each year, for the Premises (the "Base Rent"), without setoff, abatement or deduction. In addition to the Base Rent, the Tenant will pay for any fees or taxes arising from the Tenant's business.

7. The Tenant will pay the Base Rent on or before the first day of September of each and every year of the Term to the Landlord.

8. No acceptance by the Landlord of any amount less than the ful amount owed will be taken to operate as a waiver by the Landlord for the full amount or in any way to defeat or affect the rights and remedies of the Landlord to pursue the full amount.

Use and Occupation

9. The Tenant will open the whole of the Premises for business to the public fully fixtured, stocked and staffed on the date of commencement of the Term and throughout the Term, and will continuously occupy and utilize the entire Premises in the active conduct of its business in a reputable manner on such days and during such hours of business as may be determined from time to time by the Landlord.

10. The Tenant covenants that the Tenant will carry on and conduct its business from time to time carried on upon the Premises in such manner as to comply with all statutes, bylaws, rules and regulations of any federal, state, municipal or other competent authority and will not do anything on or in the Premises in contravention of any of them.

    The Landlord covenants that the Landlord will comply with all statutes, bylaws, rules and regulations of any federal, state, municipal or other competent authority pertaining to the lawful use of the Premises by the Tenant.

11. The Tenant covenants that the Tenant will carry on and conduct its business from time to time carried on upon the Premises in such manner as to comply with any statute, including any subordinate legislation, which is in force now or in the future and taking into account any amendment or reenactment, or any government department, local authority, other public or competent authority or court of competent jurisdiction and of the insurers in relation to the use, occupation and enjoyment of the Building (including in relation to the health and safety compliance with the proper practice recommended by all appropriate authorities).

Quiet Enjoyment

12. The Landlord covenants that on paying the Rent and performing the convenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Vacation of Premises

13. In the absence of an annual renewal of this Lease, or in the event of any other termination of the Lease, the Tenant shall vacate the Premises within thirty (30) days of the end of the Term or within thirty (30) days of the termination. It is expected that at the end of this thirty (30) day period all property not belonging to the Landlord will be removed from the Premises and that all damages, other than normal wear and tear, will be repaired or contracted for repair (see also section 34 of this Lease).

Landlord Improvements

14. The Landlord will make those improvements to the Premises that are set out in the list attached to this Lease.

Tenant Improvements

15. The Tenant will obtain written permission from the Landlord before doing any of the following:

    a. painting, wallpapering, redecorating or in any way significantly altering the appearance of the Premises;

    b. removing or adding walls or performing any structural alterations;

    c. changing the amount of heat or power normally used on the Premises as well as installing additional electrical wiring or heating units;

    d. subject to this Lease, placing or exposing or allowing to be placed or exposed anywhere inside or outside the Premises any placard, notice or sign for advertising or any other purpose;

    e. affixing to or erecting upon or near the Premises any radio or TV antenna or tower, or satellite dish; or

    f. installing or affixing upon or near the Premises any plant, equipment, machinery or apparatus without the Landlord's prior consent.

Utilities and Other Costs

16. The Landlord is responsible for the payment of the following utilities and other charges in relation to the Premises: sewer.

17. The Tenant is responsible for the direct payment of the following utilities and other charges in relation to the Premises: electricity, natural gas, water, telephone, Internet and cable.

Insurance

18. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss. The Tenant is advised that, if insurance coverage is desired by the Tenant, the Tenant should inquire of Tenant's insurance agent regarding a Tenant's policy of insurance.

19. The Tenant is not responsible for insuring the Landlord's contents and furnishings in or about the Premises for either damage or loss, and the Tenant assumes no liability for any such loss.

20. The Tenant is responsible for insuring the Premises for liability insurance for the benefit of the Tenant and the Landlord.

21. The Tenant will provide proof of such insurance to the Landlord upon request.

Abandonment

22. If at any time during the Term, the Tenant abandons the Premises of any part of the Premises, the Landlord may, at its option, enter the Premises by any means without being liable for any prosecution for such entering, and without becoming liable to the Tenant for damages of for any payment of any kind whatever, and may, at the Landlord's discretion, as agent for the Tenant, relet the Premises, or

any part of the Premises, for the whole or any part of the then unexpired Term, and may receive and collect all rent payable by virtue of such reletting, and, at the Landlord's option, hold the Tenant liable for any difference between the Rent that would have been payable under this Lease during the balance of the unexpired Term, if this Lease had continued in force, and the net rent for such period realized by the Landlord by means of the reletting, If the Landlord's right of reentry is exercised following abandonment of the Premises by the Tenant, then the Landlord may consider any personal property belonging to the Tenant and left on the Premises to also have been abandoned, in which case the Landlord may dispose of all such personal property in any manner the Landlord will deem proper and is relieved of all liability for doing so.

Governing Law

23. It is the intention of the Parties to this Lease that the tenancy created by this Lease and the performance under this Lease, and all suits and special proceedings under this Lease, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of Michigan, without regard to the jurisdiction in which any action of special proceeding may be instituted.

Severability

24. If there is a conflict between any provision of this Lease and the applicable legislation of the State of Michigan (the "Act"), the Act will prevail and such provisions of the Lease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Lease.

Assignment and Subletting

25. While it is the intent of this Least that the Tenant shall have the opportunity to sublet the Premises for the purposes described in section 13 of this Lease, the Landlord asks that the Tenant provide for the Landlord any information and/or credentials pertinent to the operations of the sublessee.

Maintenance

26. The Tenant will. at its sole expense, keep and maintain the Prenises and appurtenances in good and sanitary condition and repair during the Term and any renewal of this Lease.

27. The Tenant will be responsible at its own expense to replace all electric light bulbs, tubes, ballasts, or fixtures serving the Premises.

28. The Tenant will also perform the following naintenance in respect to the Premises: Reasonable upkeep, including cleaning and damage repair.

Care and Use of Premises

29. The Tenant will promptly notify the Landlord of any damage, or of any situation that may significantly interfere with the normal use of the Premises.

30. Vehicles which the Landlord reasonably considers unsightly, noisy, dangerous, improperly insured, inoperable or unlicensed are not permitted in the Tenant's parking area, and such vehicles nay be towed away at the Tenant's expense. Parking facilities are provided at the Tenant's own risk.

31. The Tenant will not make (or allow to make) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.

32. The Tenant will not engage in any illegal trade or activity on or about the Premises.

33. The landlord and Tenant will comply with standards of health, sanitation, fire, housing, and safety as required by law.

Surrender of Premises

34. At the expiration of the lease term, the Tenant will quit and surrender the Premises in as good a state and condition as ther were at the connencement of this Lease, reasonable use and wear and damages by the elements excepted.

Hazardous Materials

35. The Tenant will not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might unreasonable increase the danger of fire on the Premises or that might be considered hazardous by any responsible insurance company.

Rules and Regulations

36. The Tenant will obey all rules and regulations posted by the Landlord regarding the use and care of the Building, parking lot and other common facilities that are provided for the use of the Tenant in and around the Building on the Premises.

General Provisions

37. Any waiver by the Landlord of any failure by the Tenant to perform or observe the provisions of this Lease will not operate as a waiver of the Landlord's rights under this Lease in respect of any subsequent defaults, breaches or nonperformance and will not defeat or affect in any way the Landlord's rights in respect of any subsequent default or breach.

38. This Lease will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns, as the case may be, of each party to this Lease. All covenants are to be construed as conditions of this Lease.

39. All sums payable by the Tenant to the Landlord pursuant to any provision of this Lease will be deened to be Additional Rent and will be recoverable by the Landlord as rental arrears.

40. This Lease will constiture the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Lease are to be implied.

IN WITNESS WHEREOF the Parties to this Lease have duly affixed their signatures under hand and seal, or by a duly authorized officer under seal, on this 16th day of September, 2022

(Witness)

Village of Northport, Michigan (Landlord)

Per: _____ (SEAL)

(Witness)

Northport Public School (Tenant)

Per: _____ (SEAL)