

LEASE AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2023, by and between **THE CITY OF MARQUETTE**, a Michigan municipal corporation, of 300 W. Baraga Avenue, Marquette, Michigan 49855, hereinafter “LESSOR”, and **SUPERIOR HOCKEY, LLC**, a Michigan limited liability company, of 401 E. Fair, Marquette Michigan 49855, hereinafter “LESSEE”.

Recitals

- A. Lessor is the owner and operator of Lakeview Arena, located at 401 E. Fair Avenue, Marquette, Michigan.
- B. Lessee desires to lease and Lessor is willing to lease to Lessee office space and storage space as shown in Exhibit “A” located in Lakeview Arena in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual promises of the parties and other good and valuable consideration, the receipt of which is hereby acknowledged, it is agreed as follows:

1. Leased Premises

- 1.1 Lessor leases to Lessee the space (“Premises”) as shown in Exhibit “A”.
- 1.2 Lessee agrees to develop architectural and engineering plans for any and all renovations/remodeling required to meet the specific needs of Lessee for Lessee’s intended uses. Lessee shall be responsible for constructing all renovations at Lessee’s cost, and Lessee shall obtain Lessor’s written approval of all such plans and specifications prior to beginning any construction activity.
- 1.3 Lessee shall have access to the Premises during all hours that Lakeview Arena is open to the public. Lessee shall have access to the premises during non-public hours only from the middle south entrance to the building as shown in Exhibit “A”.
- 1.4 Lessee shall not install any signage within the Premises or outside or within Lakeview Arena without approval from Lessor, consistent with Lessor’s City's sign ordinance. In the event Lessee installs any signage within the Premises or outside or within Lakeview Arena, lessee shall dismantle, dispose of and restore any damaged areas caused by signage at the end of the Lease term.

2. Term of Lease

- 2.1 The term of this Agreement shall be for a period beginning September 1, 2022 and ending August 31, 2027; and may, upon expiration of the original term, be renewed by written mutual consent of the parties for up to five (5) year terms upon terms and conditions as agreed upon by the parties.
- 2.2 Either party may terminate this lease on 90 days advance written notice to the other party.

3. Rent

- 3.1 The monthly rental amount shall be \$1,630.00 due in advance on the first day of each month thereafter.
- 3.2 Lessee shall be responsible for its own telephone and internet service as needed and desired by Lessee.
- 3.3 Lessee is subject to increases based on increases in the City fee schedule as approved by the City Commission, not to exceed twenty percent (20%) of the previous year's rental rate. Lessee will be notified of any increase in the monthly rental amount no later than 30 days prior to the date the rental increase will begin.
- 3.4 Upon execution of this Lease, Lessee shall provide Lessor with an amount equal to one and one half month's rent as a security deposit to be held by Lessor during the duration of the Lease term and returned no later than 60 days following termination of the Lease term subject to outstanding rent, expenses incurred, or damages to the Premises.

4. Use of Leasehold Premises

- 4.1 Lessee shall use the Premises only as a full service hockey store, and not for any purpose that would:
 - a) be deemed hazardous to the public or adjoining premises including, but not necessarily limited to, fire, and environmental type hazards;
 - b) constitute a violation of any public law or requirement;
 - c) cause damage or injury to the Arena or any part of it (ordinary wear and tear excepted);
 - d) interfere with normal operations of the Arena's heating, air conditioning, ventilating, plumbing, or other mechanical or electrical systems;
 - e) constitute a public or private nuisance;
 - f) interfere with other Arena uses;
 - g) alter the appearance of the Arena exterior or any portion of the interior other than in the Premises, except as provided herein, without prior written approval of the Lessor;
 - h) place merchandise, materials, supplies, signs, or other thing of any kind on the sidewalks or other common areas without written approval;
 - i) permit refuse to accumulate in or around Premises; and,
 - j) obstruct entry ways.
- 4.2 Lessee is solely responsible for obtaining all necessary licenses and permits and otherwise complying with all laws as needed to comply with Lessee's intended use of the Premises..

- 4.3 Lessee is solely responsible for all aspects of conducting its business, including selection of products, determining pricing, obtaining all supplies and products and for all costs related to Lessee's intended use of the Premises.

5. Use of Common Areas by Lessee

- 5.1 During normal operational hours of Lakeview Arena, Lessee and its invitees shall have the right in common with Lessor, its invitees, and others to use the hallways, public restrooms, entrance ways, public parking, sidewalks, and surrounding area, subject, however, to rules and regulations of Lessor regulating the use of same and displays, rules providing for safety and maintenance, and changes in the layout of common areas.

6. Maintenance and Repair

- 6.1 Lessee shall be responsible for all ordinary janitorial and cleaning of the Premises.
- 6.2 Lessee shall be solely responsible for the maintenance and repair of all equipment located on the Premises.
- 6.3 Lessee must obtain written consent of Lessor for all signage used by Lessee on the Premises and on or in Lakeview Arena. All signage approved by Lessor shall be maintained in good condition and repair, and shall be removed by Lessee no later than 15 days following termination of the Lease term without causing damage to the Premises or Lakeview Arena.
- 6.4 Lessor reserves the right to make any repairs or alterations that it deems necessary and desirable to the common areas. Lessee will be notified of any repairs or alterations to the Premises at least 7 days in advance except in emergency situations.

7. Insurance and Indemnity

- 7.1 Lessee shall not permit any activity on the Premises which would invalidate or be in conflict with Lessor's fire, boiler, sprinkler, water damage, and extended coverage insurance policies covering the Arena and contents therein.
- 7.2 Lessee shall not permit any activity on the Premises which would cause Lessor's rate for the insurance described herein to be increased.
- 7.3 Lessee at its sole expense shall be responsible for insuring its own tangible personal property, equipment, and fixtures from loss from fire and other casualty and shall at all times provide Lessor with a certificate evidencing such coverage.
- 7.4 Lessee at its sole expense shall maintain liability insurance protecting and insuring Lessee and Lessor from all claims for injury or damage to persons or property arising out of the use of the Premises or the common areas of the Arena by Lessee, its employees, agents, invitees, and licensees. The amount of the insurance shall be not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence for accident, bodily injury, or death; not less than Five Hundred Thousand and 00/100 Dollars (\$500,000.00) for property damage. Lessee shall at all times provide Lessor with a copy of said policies with proof of payment of premium thereon. The insurance policies shall bear endorsements to the effect that the insurer agrees to notify Lessor not less than thirty (30) days in advance of any modification or cancellation thereof. Lessor shall be named as an additional insured on all insurance policies required by this lease.

7.5 Lessee will indemnify and hold Lessor harmless from and against all loss, cost, expense and liability whatsoever (including Lessor's cost of defending against the foregoing, such cost to include attorneys' fees) resulting or occurring by reason of Lessee's construction on, use of or occupancy of the Premises.

8. Damage by Fire or Other Causes

8.1 If the Premises is partially damaged by fire or other peril without the fault or neglect of Lessee or of its servants, employees, agents, visitors, invitees or licensees, the damage shall be repaired by Lessor and at Lessor's expense. If the Premises or the Arena is substantially damaged (herein defined as fifty (50%) per cent or more of the cost of replacement), Lessor may elect either to repair or rebuild the Premises or the Arena, as the case may be, or to terminate this lease upon giving notice of such election in writing to Lessee within ninety (90) days after the event causing the damage. If Lessor elects to rebuild, Lessee in a timely manner shall repair or replace its fixtures, furniture, equipment and improvements to at least the condition of same prior to the damage.

9. Assignment/Subletting

9.1 Lessee shall not assign or sublet the Premises or any part thereof without the express prior written consent of the Lessor.

9.2 In no event shall a sublease be allowed that would jeopardize the tax-exempt status of the City.

9.3 Lessor may freely assign its rights and obligations under this Lease Agreement to any third party pursuant to a Purchase and Sale Agreement, Land Contract or similar instrument.

10. Use of Premises by Lessor

10.1 Lessor reserves for itself and its contractors and agents the right to enter the Premises at reasonable times for the purpose of inspecting, maintaining, installation, operation and repair services.

10.2 Lessor may close the building which is the subject of this Lease Agreement, in whole or in part, at any time during the leasehold period. In such event, the parties understand and agree that the Lessor is not responsible to reimburse the Lessee for any construction costs paid by Lessee to improve the leasehold space.

11. Covenant of Quiet Enjoyment

11.1 Lessor warrants and represents that it has full authority to execute this lease for the above term. Lessor covenants that upon Lessee paying the rents and performing its covenants and duties prescribed herein, Lessee may, except as otherwise described herein, have the exclusive and reasonable right to have, hold and enjoy the leasehold.

12. Lessor's Right to Perform Lessee's Obligation

12.1 If Lessee defaults in the observance or performance of any term or covenant of this lease, Lessor may, without thereby waiving the default, remedy the default at Lessee's expense. If, in connection therewith, Lessor makes any expenditure or incurs any obligation for the payment of money or in instituting, prosecuting, or defending any action or proceeding

commenced before or during the term of this lease, or after the expiration or termination of this lease including, but not necessarily limited to, legal expenses and attorneys' fees, Lessee shall pay to Lessor on demand the sums paid or obligations incurred together with legal fees and costs.

13. Default by Lessee

- 13.1 If the Lessee fails to pay rent when due; if the Lessee fails to perform any other obligations under this agreement within 30 days after receiving written notice of the default from the Lessor; if the Lessee makes any assignment for the benefit of creditors or a receiver is appointed for the Lessee or its property; or if any proceedings are instituted by or against the Lessee for bankruptcy (including reorganization) or under any insolvency laws, the Lessor may terminate this lease, reenter the Premises, and seek to relet the Premises on whatever terms the Lessor thinks advisable. Notwithstanding reentry by the Lessor, the Lessee shall continue to be liable to the Lessor for rent owed under this lease and for any rent deficiency that results from reletting the premises during the term of this lease. Notwithstanding any reletting without termination, the Lessor may at any time elect to terminate this lease for any default by the Lessee by giving the Lessee written notice of the termination.
- 13.2 In addition to the Lessor's other rights and remedies as stated in this lease, and without waiving any of those rights, if the Lessor deems necessary any repairs that the Lessee is required to make or if the Lessee defaults in the performance of any of its obligations under this lease, the Lessor may make repairs or cure defaults and shall not be responsible to the Lessee for any loss or damage that is caused by that action. The Lessee shall immediately pay to the Lessor, on demand, the Lessor's costs for curing any defaults, as additional rent under this lease.
- 13.3 The rights and remedies of Lessor shall be cumulative as more particularly provided at law or in equity pursuant to the laws of the State of Michigan.

14. Surrender of Leasehold Upon Termination of Lease

- 14.1 All renovations and improvements shall be at Lessee's expense and shall be considered fixtures and owned by Lessor upon termination of lease. Upon the expiration or termination of the lease, Lessee shall surrender the Premises in good order and condition, ordinary wear and tear excepted, and shall remove all of its property, fixtures, and equipment from the Premises. In removing its equipment, Lessee shall be solely liable for repairing any and all damages to the Premises. In the event that the Lessee fails to remove its equipment, and Lessor is required to do so, all costs and expenses incurred by Lessor in removing same and restoring the leasehold to useable condition shall be the financial responsibility of the Lessee.
- 14.2 If upon termination of the lease, Lessee has failed to remove its furniture, equipment, and fixtures, Lessor reserves the right to deem them abandoned and shall have the legal right to dispose of same, and costs incurred in disposing of same shall be the financial responsibility of Lessee.

15. Miscellaneous

- 15.1 This agreement shall be binding on the parties and inure to the benefit of the Lessor and Lessee and their respective successors and assigns.
- 15.2 This agreement shall be governed by and construed in accordance with the laws of the State of Michigan.
- 15.3 This agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated herein.
- 15.4 Any modification of this agreement or additional obligations assumed by either party in connection with this agreement shall be binding only if evidenced in a writing signed by each party or an authorized representative of each party.
- 15.5 Waiver by Lessor of any breach of any covenant of duty of Lessee under this lease is not a waiver of a breach of any other covenant of duty of Lessee or any subsequent breach of the same covenant or duty.
- 15.6 The invalidity of any portion of this agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.
- 15.7 All notices to be given under this lease shall be in writing and mailed, postage prepaid, or by certified or registered mail, return receipt requested, or delivered personally or by courier delivery, or sent by telecopy (immediately followed by one of the preceding methods) to Lessor's address and Lessee's address as above stated or any other place that Lessor or Lessee may designate in a written notice given to the other parties. Notices shall be deemed served on the earlier of receipt or three (3) working days after the date of mailing.

The parties have set their hands on the day and year first above written

LESSOR
CITY OF MARQUETTE

Cody O. Mayer, Mayor

Kyle Whitney, Clerk

APPROVED AS TO SUBSTANCE:

Karen M. Kovacs, City Manager

LESSEE
SUPERIOR HOCKEY, LLC



By:

Its:

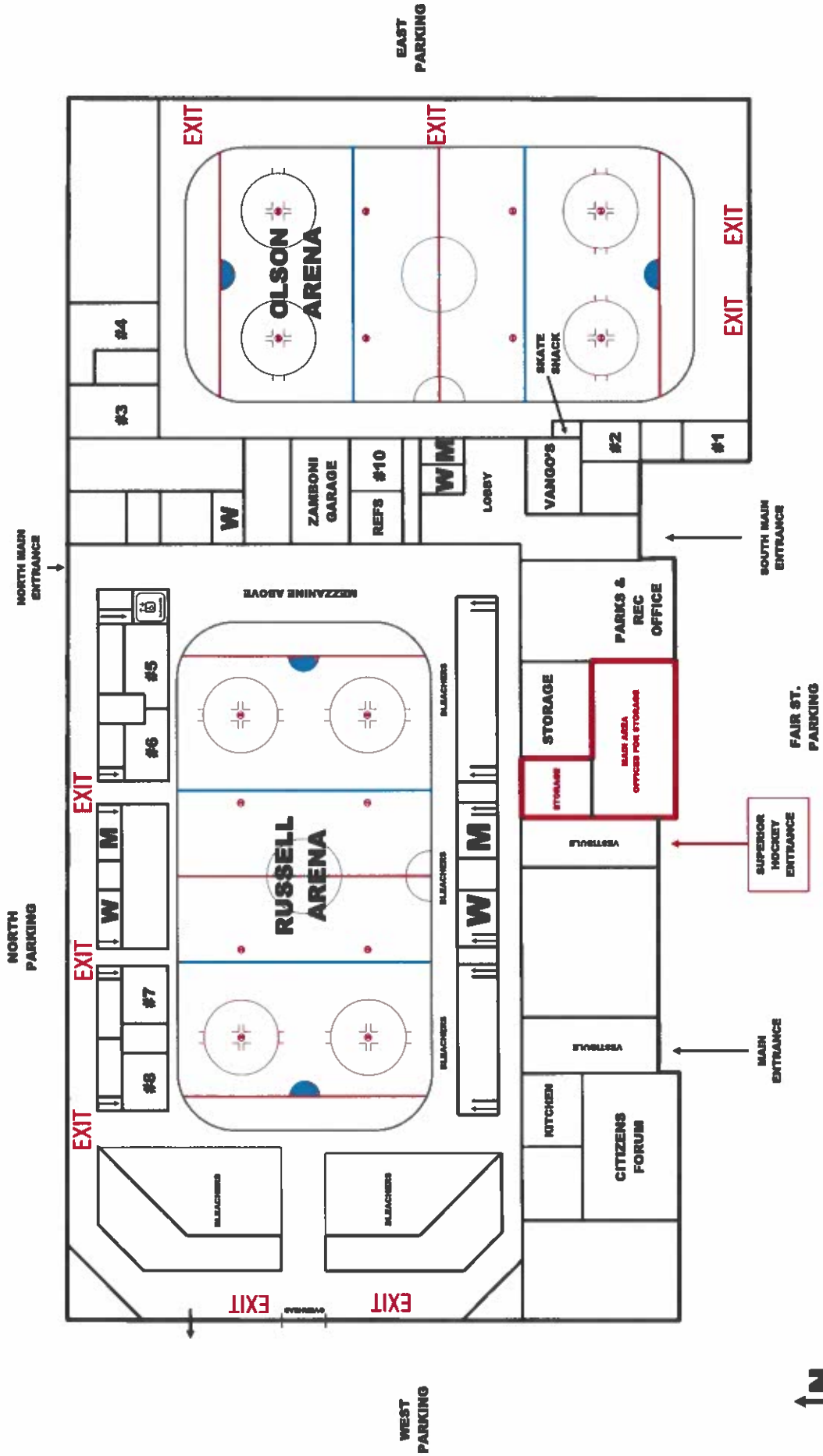
APPROVED AS TO FORM:

Suzanne C. Larsen, City Attorney



LAKEVIEW ARENA

EXHIBIT A





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/14/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Vast 300 South Front Street Marquette MI 49855		CONTACT NAME: Sarah Niemela PHONE (A/C, No, Ext): (906) 228-7500 E-MAIL ADDRESS: sarahn@vastsolution.com FAX (A/C, No): (906) 228-5385	
INSURED Superior Hockey LLC 401 E Fair Ave Marquette MI 49855		INSURER(S) AFFORDING COVERAGE INSURER A: Acuity Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 14184	

COVERAGES **CERTIFICATE NUMBER:** CL2331421480 **REVISION NUMBER:**

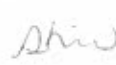
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		X84614	12/02/2022	12/02/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Damage to Rental \$ 100,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	X84614	12/02/2022	12/02/2023	PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Marquette is additional insured in regards to the general liability per form CB-7034(7-13) when signed agreement is in place. All coverages are subject to insurance policy terms and conditions.

CERTIFICATE HOLDER**CANCELLATION**

City of Marquette 300 W Baraga Avenue Marquette MI 49855	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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