

## **LEASE AGREEMENT**

THIS LEASE AGREEMENT (hereinafter “Lease”) is made and entered into this \_\_\_\_ day of April 2025 (hereinafter “Effective Date”), by and between **LIVONIA PUBLIC SCHOOLS**, a Michigan general powers school district, whose address is 15125 Farmington Road, Livonia, Michigan 48154 (hereinafter referred to as “Landlord”) **LEARNING TREE CHILDCARE CENTER, INC. - NORTH**, a Michigan corporation, whose address is 23800 Industrial Park Drive, Farmington Hills, Michigan 48335 (hereinafter referred to as “Tenant”).

### WITNESSETH:

1. Leased Premises: In consideration of the rents, covenants and conditions contained herein, and as further defined in Paragraph 2 of this Lease, Landlord hereby leases to Tenant and Tenant leases from Landlord a portion of the building formerly known as the Jackson Elementary/Early Childhood Center, located at 32025 Lyndon, Livonia, Michigan 48154 (the “Building”).

2. Non-Exclusive Use of Leased Premises: During the Lease Term, Landlord and Tenant agree to Tenant’s use of the Building as follows:

A. Joint use with Landlord and/or other Tenants (Exterior of Building Only):

- Parking Lots
- Sidewalks
- Playground

(the “Common Areas”)

B. Exclusive use by Tenant, as highlighted in Blue on **Exhibit A** – Building Map (being 22,802 Square Feet) (collectively the “Leased Premises”)

C. Exclusive Use by Landlord and/or other Tenants, as highlighted in Yellow on **Exhibit A** – Building Map (being 19,157 Square Feet).

3. Term: The term of this Lease shall be for approximately five (5) years commencing on the Effective Date and terminating on June 30, 2030 (the “Lease Term”), unless extended pursuant to Paragraph 36 or terminated pursuant to Paragraph 37 hereof.

4. Rent: Tenant shall pay Landlord annual rent for the Leased Premises during the Lease Term as follows:

- The Landlord and Tenant acknowledge and agree that the Building is 41,959 Square Feet and the Leased Premises is 22,802 square feet.

- **Year 1** - \$13.00/square foot/per year. This amount shall be prorated for partial months if Year 1 of the Lease is less than one (1) full year or does not start on the first of the month or shall be increased on a pro-rata basis if Year 1 of the Lease is more than one (1) year, as it is the intent of the parties to have all subsequent Lease Years, being Years 2-5, commence on July 1<sup>st</sup> and end on June 30<sup>th</sup>.
- **Year 2** - \$13.50/square foot/per year.
- **Year 3** - \$14.00/square/foot per year.
- **Year 4** – Rent will increase from Year 3 based on all items CPI for urban wage earners for the Detroit, MI Metropolitan Area.
- **Year 5** - Rent will increase from Year 4 based on all items CPI for urban wage earners for the Detroit, MI Metropolitan Area.
- Any Lease Extensions permitted under Paragraph 36 hereof, Rent shall increase from the previous year's Rent based on all items CPI for urban wage earners for the Detroit, MI Metropolitan Area.

(collectively the "Rent").

Tenant shall pay to Landlord the annual Rent divided by twelve for each month of the Lease Term, commencing on the Effective Date. Rent will be paid to the order of Landlord, in advance, without any setoffs or deductions, on the first day of each and every month (the "Rent Day") at Landlord's address set forth in the preface of this Lease, or at such other place as Landlord may designate in writing. Rent and/or additional rent and all other sums due and payable by Tenant hereunder shall bear interest at an annual rate equal to seven per cent (7%) per annum from the due date while the same remain unpaid if the same are not paid within five (5) days after the due date, and such interest shall be deemed Additional Rent.

5. Use of Leased Premises: Tenant shall use and occupy the Leased Premises for the sole purpose of conducting a for-profit childcare facility and for no other purpose(s) without the prior written consent of Landlord. Tenant shall not do or permit to be done any act or thing upon the Leased Premises that will increase the cost of casualty and liability insurance above the insurance costs normally associated with Tenant's principal activities as herein described. Tenant shall not use the Leased Premises or permit the Leased Premises to be used for the doing of any act or thing that constitutes a violation of any valid law, order or regulation of any governmental authority. Tenant shall use and occupy the Leased Premises subject to all School District policies, procedures and regulations of Landlord and shall not interfere with Landlord's or its other tenants' use and enjoyment of the remainder of the Building. Tenant shall not perform any acts or carry on any practices which may injure the Leased Premises or be a nuisance and shall keep the Leased Premises under its control clean and free from rubbish and dirt at all times, and it is further agreed that in the event the Tenant shall not comply with these provisions, and Landlord has given Tenant ten (10) days prior notification of such situation, Landlord may enter upon the Leased Premises and have any said rubbish and dirt removed, in which event Tenant agrees to pay all reasonable charges that Landlord shall pay for hauling rubbish and dirt. Said charges shall be paid to Landlord by Tenant as soon as a bill is presented to Tenant and Landlord shall have the same remedy as is provided in this Lease in the event of Tenant's failure to pay.

6. Acceptance of the Leased Premises: Tenant acknowledges that it has examined the Leased Premises prior to the making of this Lease and knows the conditions thereof. Tenant further acknowledges that no representation as to the condition or state of repairs thereof have been made by Landlord or its agents which are not herein expressed, except that Tenant acknowledges that Landlord has fully disclosed the existence of asbestos in the Building, and that Tenant accepts the Leased Premises knowing that it contains asbestos. Tenant hereby accepts the Leased Premises in its present "AS IS" condition as of the Effective Date.

7. Alterations and Improvements: Tenant shall not make any alterations, additions, or improvements to the Leased Premises without Landlord's prior written consent, which consent is in Landlord's sole and absolute discretion. Any and all alterations, additions, or improvements approved by the Landlord in writing and made by the Tenant, at Tenant's sole cost and expense, upon the Leased Premises shall be the property of Landlord and shall remain upon and be surrendered with the Leased Premises at the termination of this Lease, except that Landlord shall have the option, upon the expiration or sooner termination of this Lease, to require the Tenant to remove certain or all of the improvements from the Leased Premises. In that event, Tenant must do so at its sole cost and expense and complete such removal within sixty (60) days of the termination or expiration of the Lease Term. Also, upon such removal by Tenant, Tenant shall, at its sole cost and expense, restore the Leased Premises to its original condition at the beginning of this Lease. All such alterations, improvements, or physical changes shall be done at Tenant's sole expense and shall be performed in a good and workmanlike manner by a reputable contractor. Any construction projects approved by Landlord shall be done in accordance with the plans and specifications, and at the times, mutually agreed upon in writing by the parties. Tenant agrees that it shall pay for all associated costs for any future construction projects approved by Landlord, including, but not limited to, the costs and expenses for the preparation of plans, to obtain permits to issue a Request For Proposal/Project Manual ("RFP") for any such construction, and for all labor and materials. Prior to the planning or commencement of any installation or construction for the Leased Premises, the parties shall convene to discuss all necessary aspects of said installation/construction, including, but not limited to, the scope of the project, and compliance with competitive bidding requirements and applicable laws. Any future construction projects shall be done in a professional and workmanlike manner and in compliance with all applicable local, state and federal laws, rules, regulations and ordinances including, without limitation, all laws, rules, regulations and ordinances pertaining to school building construction, being the Michigan Revised School Code (MCL 380.1 et seq., including, but not limited to 380.1264, as amended), the School Building Construction Act (MCL 388.851 et seq., as amended), the Stille-Derossett-Hale Single State Construction Code Act( MCL 125.1501 et seq.), the Michigan Building Code and the prevailing wage requirements of MCL 408.1101, et seq., as amended and as applicable ("Michigan's Prevailing Wage Act"), including the maintenance of records as may be necessary to enable compliance with the reporting or inspection requirements under the Michigan's Prevailing Wage Act (collectively the "Construction Acts"). Additionally, before any construction at the Building is commenced, the Landlord shall, at a minimum, have a right to review and provide input into the RFP and proposed contract with the contractor(s) to ensure Landlord is adequately protected and that the Construction Documents, drawings and detailed specifications of the Leased Premises are consistent with Landlord's approval. Tenant shall submit the final Construction Documents, drawings and detailed specifications to the Landlord for its written approval prior to commencing construction, with those documents, drawings and

specifications to thereafter being incorporated herein by reference into this Lease. Tenant shall submit all appropriate applications to the to the State of Michigan Department of Education (the "MDE") and/or the State of Michigan Department of Licensing and Regulatory Affairs ("LARA"), as well as any local municipalities and any other governmental agencies having jurisdiction over the Leased Premises, as required by the Construction Acts and receive all appropriate approvals prior to commencing any construction of the Leased Premises.

8. Maintenance and Repairs: Landlord after receiving written notice from the Tenant, and having reasonable opportunity thereafter to obtain the necessary workmen therefore, agrees to keep the Leased Premises and Common Areas in good order and repair as reasonably required to keep the Leased Premises and Common Areas in its current condition, normal wear and tear excepted; provided, however, Tenant shall be responsible for all damage to the Leased Premises and Common Areas caused by the negligence or willful acts of the Tenant and the Tenant's agents, representatives, employees, invitees, contractors, licensees and/or students. Tenant shall be responsible for all maintenance of and repairs to the Leased Premises, including any approved improvements. The Tenant must repair and maintain the Leased Premises at Tenant's sole cost and expense. The Leased Premises shall be kept in a good and safe condition. All charges and other costs of every kind and nature in connection with the maintenance, upkeep and preservation of the Leased Premises shall be borne and paid for by the Tenant. Additionally, Tenant shall be responsible for any and all damages to the Leased Premises or Common Areas caused by the negligence or willful acts of the Tenant and the Tenant's agents, representatives, employees, invitees and/or licensees. Also, Tenant shall furnish, at its own expense, all necessary services for the operation of the Leased Premises including janitorial services, supplies and snow removal.

9. Utilities: Landlord shall pay for the cost of the following utilities supplied to the Leased Premises during the Lease Term: electricity, gas, water, sewer, lawn, grounds and landscaping care, and rubbish removal. Tenant shall arrange for the installation of any telecommunication, wireless, cable or internet services, at its sole cost and expense, and shall be responsible for any and all charges associated therewith. Tenant shall also be responsible for all snow removal related to the Building including shoveling walkways and plowing driveways and parking lots. Tenant shall have the right to use the utility services which presently exist on the Leased Premises, but Landlord shall not be liable to Tenant for any loss or interruption of utility services.

10. Janitorial Services: Tenant shall furnish, at its own expense, all janitorial services and supplies, including, but not limited to, toilet paper and paper towels, for the operation of the Leased Premises. However, in the event the Tenant's use of the Leased Premises shall render the Leased Premises with excessive dirt and rubbish, as determined in the sole discretion of Landlord, the Tenant hereby agrees to reimburse Landlord for the direct expense that Landlord incurs in providing janitorial services to remediate such condition, including salary and/or hourly wage of its employees or third-party contractors as well as any overtime expenses incurred and the cost of janitorial supplies. Tenant shall furnish, at its own expense, all custodial/janitorial custodial services for the operation of the Leased Premises, including any and all additional cleaning requirements stemming from orders, regulations or ordinances of all Municipal, County, State, and Federal authorities affecting use of the Leased Premises with respect to the cleanliness, safety, occupation, and use of same.

11. Building Insurance: Landlord shall cause the building and its improvements to be insured against loss or damage under a policy or policies of fire and extended coverage insurance, including "additional perils" in amounts acceptable to Landlord.

12. Tenant's Personal Property Insurance: Any personal property kept on the Leased Premises by Tenant shall be insured at Tenant's sole risk, and Tenant shall acquire such policy or policies of insurance thereon as Tenant in its best judgment shall determine. Tenant shall pay when due any personal property taxes levied against the property of Tenant located at the Leased Premises.

13. Tenant's General Liability Insurance: Tenant, at its sole cost and expense during the Lease Term, shall maintain and keep in effect commercial general liability insurance in an amount not less than Two Million and 00/100 (\$2,000,000.00) Dollars for injury to or death of one person, or not less than Three Million and 00/100 (\$3,000,000.00) Dollars for injury or death of more than one person, in any one accident or occurrence and umbrella coverage in an amount not less than Five Million and 00/100 (\$5,000,000.00) Dollars; and property damage insurance with minimum limits of One Million and 00/100 (\$1,000,000.00) Dollars. Such policy or policies shall include cross liability and severability of interests' clauses, and be written on an occurrence, and not claims-made, basis. Each of these policies shall be endorsed to name Landlord as an additional insured. Any insurance carried by Landlord shall be non-contributing and Tenant's insurance shall be primary to any such insurance carried by Landlord. Such insurance obtained by Tenant shall be carried by an insurance company or companies licensed to do business in Michigan and be on terms approved by Landlord. Duplicate original copies of said policies shall be delivered to Landlord. Tenant shall deliver to Landlord a certificate of insurance of all policies procured by Tenant in compliance with its obligations hereunder, together with evidence of payment thereof, and including an endorsement which states that such insurance may not be cancelled except upon ten (10) days written notice to Landlord.

14. Indemnification: Tenant shall indemnify, defend and hold harmless Landlord and its Board of Education, its Board members in their official and individual capacities, its administrators, employees, agents, contractors, successors and assigns, from and against any and all claims, counter-claims, suits, debts, demands, actions, judgments, liens, liabilities, injuries, losses, costs, expenses and damages, including actual attorney's fees and actual expert witness fees, arising out of or in connection with Tenant's its agents', representatives', employees', contractors', licensees' and invitees' use and occupancy of the Leased Premises, from the negligence of Tenant, its agents', representatives', employees', contractors', licensees' and invitees' and/or from Tenant's its agents', representatives', employees', contractors', licensees' and invitees' violation of any of the terms of this Lease. The indemnity obligations contained in this Paragraph shall survive the expiration or earlier termination of this Lease and shall not be limited by Tenant's insurance obligations contained in this Lease.

15. Damage or Destruction - Fire or Other Cause: In the event of a partial destruction of the Leased Premises, the Landlord shall, as promptly as possible, unless Landlord shall elect not to rebuild, repair the same, provided such repairs can reasonably be made within ninety (90) days (or within such other period as Landlord and Tenant may agree upon) from said destruction

or damage under normal working conditions, and pursuant to applicable laws, ordinances, and regulations. In such case, this Lease shall not be terminated, but the Rent shall be abated proportionately for such portion of said Leased Premises as are not reasonably usable during the period while repairs are being made. In the event that such repairs cannot reasonably be made within ninety (90) days' time (or such other period as Landlord and Tenant may agree upon), or in the event Landlord shall elect not to rebuild, repair the same, either party hereto at its option may terminate this Lease upon written notice to the other. In any event, the destruction of substantially all of the Leased Premises shall cause this Lease to automatically terminate, without the requirement of notice.

16. Environmental Warranty: Tenant represents, warrants and covenants to Landlord the following:

A. Tenant's use of the Leased Premises and its activities thereon shall comply with all "Environmental Laws," "Environmental Law(s)" means any federal, state or local law, statute, code, ordinance, regulation, rule, judgment, order, decree, injunction, permit or restriction or closure, post closure, or remediation plan approved by a government agency or entity, relating to the environment, waste, hazardous substances or hazardous materials and shall include without limitation, and as amended, the Asbestos Hazard Emergency Response Act, 15 USCS Sec. 2641 et seq., the Solid Waste Disposal Act, 42 U.S.C. Sec. 6901 et seq., the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sec. 9601 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1801 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Sec. 1251 et seq., the Clean Air Act, 42 U.S.C. Sec. 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. Sec. 2601 et seq., the Safe Drinking Water Act, 42 U.S.C. Sec 300 et seq., the Rivers and Harbors Act, 33 U.S.C. Sec. 401 et seq., the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Sec. 11001 et seq., the Oil Pollution Act of 1990, 33 U.S.C. Sec. 2701 et seq., and the Michigan Natural Resources and Environmental Protection Act (MCL § 324.101 et seq.). This definition is intended by the parties to be amended as the applicable Environmental Laws are amended or enacted during the Lease Term.

B. Tenant shall not disturb, generate, manufacture, refine, use, treat, store, handle, transport, remove, dispose, transfer, produce or process Hazardous Substances on the Leased Premises. For purposes of this Lease, "Hazardous Substances" shall mean any substance or material regulated under any Environmental Law.

C. Tenant shall immediately and promptly notify Landlord of any disturbance, release, discharge, spill or emission of Hazardous Substances on, to or from the Leased Premises, and any complaint, summons, citation, notice, directive, order, claim, litigation, judicial or administrative proceeding, inquiry or investigation judgment, letter or other communication from any governmental agency, department, bureau, office or other authority, or any third party involving violations of any Environmental Law with respect to the Leased Premises.

D. In addition to the above, Tenant shall not disturb any Asbestos or Suspect Asbestos at the Leased Premises without prior, written authorization from Landlord. The Asbestos Management Plan for the Leased Premises will be made available to Tenant, at Tenant's request, however, Tenant is responsible for all asbestos awareness or other training required of its

employees, and for the sampling and confirmation for any area of the Leased Premises that will be disturbed by Tenant to confirm that there is no asbestos in compliance with all Environmental Laws.

17. Environmental Indemnification

A. Tenant hereby agrees to indemnify, defend and hold harmless Landlord, its successors, assigns, officers and members of its Board of Education and employees, from and against any and all fines, charges, penalties, losses, costs, damages, liabilities, injuries, cleanup or response activity costs and/or expenses (including reasonable attorneys' fees and actual consultants' fees) incurred by Landlord as a result of any claims, demands, actions, causes of action, suits, proceedings, investigations, assessments and audits, whether of law or in equity (collectively "Claims") attributable to (i) any third party claim or demand in connection with any Hazardous Substances disturbed, generated, stored, leaked, spilled, discharged, emitted, or otherwise disbursed, in, on, under, above or about the Leased Premises, or violation of any Environmental Laws, from and after the date of this Lease; (ii) injuries sustained or other tort actions brought for Claims arising out of or related to any Hazardous Substances; (iii) the presence, disposal (including off-site disposal), escape, leakage, discharge, emission, release or threatened release of any Hazardous Substances in, on, under, above, from or about the Leased Premises; and (iv) compliance with, defense of, and response to any administrative notice, order, request or demand from any governmental entity or agency related to any Hazardous Substances on the Leased Premises or violation of any Environmental Laws.

B. Tenant's indemnification described above specifically includes, but is not limited to, the direct obligation of the Tenant to promptly perform any remedial or other activities required or ordered by any administrative agency or government official, or are otherwise necessary to avoid injury or liability to any person or property, to prevent the spread of any pollution and/or contamination, or to permit the continued safe use of the Leased Premises.

18. Assignment and Subletting: Tenant shall not assign, or in any manner encumber this Lease, nor any part, right, or interest thereof, nor shall Tenant let or sublet or permit any part of the Leased Premises or Common Areas to be used or occupied by others for any reason whatsoever, without Landlord's advance written consent, which consent is discretionary in Landlord solely. However, Landlord and Tenant acknowledge that the Common Areas may also be utilized by Landlord and/or other tenants in the Building. Any assignment, transfer, hypothecation, mortgage, or sub-letting without the prior written consent of Landlord shall give Landlord the right to terminate this Lease and re-enter and repossess the Leased Premises.

19. Default and Termination: If Tenant shall default in the payment of Rent or Additional Rent when due and shall not cure such default within ten (10) days, or shall default in the performance of any other covenant of this Lease and shall not cure such default within fifteen (15) days after written notice from Landlord specifying the default complained of (or, if such other default is of a nature that it cannot be cured within a fifteen (15) day period, and thereafter proceed diligently with the cure thereof) then in any such event Landlord may terminate this Lease at any time thereafter (before such default shall be cured) by giving written notice of the termination.

Upon termination of this Lease, Landlord may without further notice re-enter the Leased Premises and dispossess Tenant or any other occupant of the Leased Premises and remove its effects and hold the Leased Premises as if this Lease had not been made, saving and reserving to Landlord any other remedies which Landlord may have for the recovery of Rent or damages due or to become due by virtue of this Lease or the breach thereof by Tenant. Should Landlord at any time permit payments of Rent or Additional Rent to be made after the time it is due, as stipulated herein, such delays shall not be construed as any waiver by Landlord of its right to have the Rent for said Leased Premises paid monthly in advance. Any failure at any time by either of the parties hereto to enforce any of the provisions of this Lease shall not be construed as a waiver of such provisions nor of such party's right to enforce the same upon any subsequent occasion or default.

20. Bankruptcy: If Tenant shall file a petition in voluntary bankruptcy or be voluntarily or involuntarily adjudicated bankrupt or insolvent, or shall make an offer of composition to its creditors, or shall make an assignment for the benefit of creditors, or shall file a petition or answer seeking reorganization or readjustment under the federal bankruptcy laws or any other law or statute of the United States or any state thereof, or if a receiver or trustee shall be appointed for Tenant or for all or a substantial part of the property of Tenant and Tenant is not released from such receiver or trustee within thirty (30) days after appointment, or if an order shall be entered approving the reorganization of Tenant or the readjustment of Tenant's debts or obligations under the federal bankruptcy laws or any other law or statute of the United States or any state thereof, then any of such events shall be deemed to be a breach, default and anticipatory breach of this Lease. In any of such events and whenever and as often as any such failure, default, breach or anticipatory breach shall occur, the term hereof, at the option of Landlord, shall cease and terminate and from thenceforth it shall be lawful for Landlord to re-enter into and repossess the Leased Premises situated thereon and Tenant and each and every occupant to remove and put out and to relet said Leased Premises for his own benefit; but reserving to Landlord all such rights as he may have for damages or otherwise because of said default, breach or anticipatory breach of Tenant.

21. Damages: In the event of the termination of this Lease under Paragraphs 19, 20 or any provisions of law by reason of Tenant's default hereunder, Tenant shall pay Landlord as damages sums equal to the Rent which would have been payable by Tenant had this Lease not so terminated, payable on the days specified in Paragraph 4, until the expiration of the full Lease Term hereby granted; provided, that Landlord shall have the duty to mitigate such damages by reletting all or any part of the Leased Premises during said period, and Landlord shall credit Tenant with the excess of the rents received from such reletting over the expenses of the termination of the Lease and of the reletting, excluding any redecoration costs.

22. Surrender of Leased Premises: Upon the expiration or earlier termination of the Lease Term, Tenant shall quit and surrender the Leased Premises to Landlord in good order and condition, ordinary wear and damage excepted; and subject to Paragraph 7 hereof Tenant shall remove all of its property and shall repair any damage to the Leased Premises or any of Landlord's property, real or personal, caused by such removal.



23. Mechanics' Liens: Tenant shall pay all costs for construction done by it or caused to be done by it on the Leased Premises as permitted by this Lease. Tenant shall cause all approved construction to occur lien-free and in compliance with all other applicable laws and ordinances. If any such construction liens shall attach, Tenant shall bond it off or otherwise cause it to be discharged within fifteen (15) days from the date of its filing.

24. Access to Leased Premises: Landlord shall have the right to enter upon the Leased Premises at all reasonable hours for the purpose of inspecting the Leased Premises, preventing waste, loss, or destruction, removing obstructions, making such repairs or obligations as are necessary to protect the Leased Premises, performing any of its duties and obligations under the terms and conditions of this Lease or to enforce any of Landlord's rights or powers under this Lease. During such entry by Landlord, the Tenant may require that its representative be present, unless such entry is necessitated by the existence of an emergency situation requiring prompt attention by Landlord, or unless Tenant shall refuse such access after reasonable notice. Except in the case of an emergency, Landlord shall give Tenant twenty-four (24) hours advance notice as to the date and time of any proposed inspections, and Tenant shall be entitled to have an officer, director, or other employee of Tenant accompany Landlord during any such inspection. The Landlord may show the Leased Premises to prospective tenants at any time during the last six (6) months of the Lease Term and during any period of default and/or extension of the Lease Term.

25. Compliance: Tenant shall, at its own expense, under penalty of forfeiture and damages, promptly comply with all laws, orders, regulations or ordinances of all Municipal, County, State, and Federal authorities affecting use of the Leased Premises with respect to the cleanliness, safety, occupation, and use of same.

26. Challenge: Landlord, although presently unaware of any such non-compliance, does not covenant that the Leased Premises are in compliance with applicable Municipal, County, State, and Federal laws, including, but not limited to, fire, safety, handicap, barrier free, zoning and use ordinances or laws and other governmental regulations relating to the use of the facility for the purpose intended through this Lease. Tenant shall obtain any and all licenses, approvals and/or permits required for its use, occupancy and operation of the Leased Premises and shall promptly comply with all governmental orders and directives related thereto, all at its sole cost and expense.

27. Holding Over: Any holding over by the Tenant after the expiration or termination of this Lease, without the consent of Landlord, shall be construed to be a tenancy from month to month and the Rent to be paid by Tenant shall be at an amount equal to 1.5 times the monthly Rent required to be paid by Tenant under Paragraph 4 hereof. Acceptance by Landlord of such payments after such expiration or termination shall not constitute a renewal of this Lease. This provision shall not operate as a waiver of Landlord's right to re-entry or any other right of Landlord, and Tenant shall be a tenant at sufferance only during the period of any such holding over without the consent of Landlord.

28. Taxes and Special Assessments: If the Leased Premises are placed on the tax assessment rolls based upon Tenant's usage, then any real estate taxes, personal property taxes and/or special assessments assessed or levied against the real property, the Building, the Common

Areas or Leased Premises during the Lease Term or extension thereof shall be borne by Tenant as Additional Rent.

29. No Waiver: The failure of either party to enforce any covenant or condition of this Lease shall not be deemed a waiver thereof or of the right of either party to enforce each and every covenant and condition of this Lease. No provision of this Lease shall be deemed to have been waived unless such waiver is in writing.

30. Notices: All notices regarding this Lease are to be in writing and delivered, or mailed by first class mail postage pre-paid, by one party to the other party at the party's respective address set forth in the preface of this Lease. Notices which are mailed shall be deemed to have been given as of the second business day following the date of mailing.

31. Heirs and Assigns: The covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective successors and assigns, subject to the limitation on assignment as herein contained.

32. Vacation or Abandonment: In the event Tenant shall abandon or vacate the Leased Premises before the end of the Lease Term, Landlord shall have the right and duty to relet the Leased Premises for such rent and upon such terms as Landlord is able to obtain. In the event a sufficient sum is not realized by such reletting, to pay to Landlord the equivalent of the rents reserved to Landlord from Tenant under the provisions of this Lease, Tenant promises and agrees to pay to Landlord the amount of such deficiency each month during the balance of such Lease Term.

33. Condemnation: If any part of the Leased Premises is taken for any public or quasi-public purpose pursuant to any power of eminent domain, or by private sale in lieu of eminent domain, either the Landlord or the Tenant may terminate this Lease, effective the date the public authority takes possession. All damages for the condemnation of the Leased Premises, or damages awarded because of the taking, shall be payable to the sole property of the Landlord.

34. Quiet Enjoyment: Landlord covenants and agrees with Tenant that upon Tenant paying the Rent and observing and performing all the terms, covenants and conditions of Tenant's part to be performed and observed, Tenant may peaceably and quietly enjoy the Leased Premises for the full term hereof.

35. Policies/Regulations: Tenant, including its agents, representatives, employees, contractors, invitees, licensees and students shall at all times comply with all School District policies, procedures and regulations.

36. Extension: This Lease may be extended by mutual written consent of Landlord and Tenant for subsequent one (1) year terms. Said extension shall commence on July 1<sup>st</sup> of the year of the extension and end the immediately following year on June 30<sup>th</sup>. If Tenant wishes to extend this Lease, Tenant shall give Landlord a minimum of ninety (90) days advance written notice of Tenant's intention to extend.

37. Termination: This Lease may be terminated by Landlord at any time and for any reason upon ninety (90) days advanced written notice to Tenant.

38. Tenants in the Building: Landlord reserves the right to lease the non-exclusive portions of the Building to other tenants.

39. Signage: Landlord shall permit Tenant to erect a sign at the Building in order to indicate the presence of Tenant at the Building and in the Leased Premises in order to indicate the location of Tenant within the Building; provided that, Tenant's proposed sign is approved in advance and in writing by Landlord prior to erection of said sign and further, provided that said sign meets all municipal, local, code or ordinance regulations, as required. Tenant shall be solely responsible for the cost of installing, operating, maintaining and removing its sign. Notwithstanding the foregoing, at the expiration or early termination of this Lease any such sign(s) must be removed by Tenant at its sole cost and expense.

40. Security Deposit: Landlord and Tenant acknowledge that parties had a previous relationship under a separate lease wherein Landlord was holding Tenant's security deposit in the amount of \$1,190.00. Since that former lease was terminated on the Effective Date of this Lease, the parties acknowledge that Landlord has transferred such security deposit and such deposit will now be held by Landlord and applicable as the security deposit under this Lease (the "Security Deposit"), as security for the performance by Tenant under this Lease. Upon an event of default, Landlord may apply or retain the whole or any part of the Security Deposit in satisfaction of damages incurred in connection with Tenant's default, whether the same may accrue before or after any legal proceedings are instituted by Landlord. Whenever the amount of the Security Deposit is diminished by Landlord's application, Tenant shall deposit additional money with Landlord sufficient to restore the security to the original amount. Landlord shall not be obligated to keep such Security Deposit as a separate fund but may commingle such Security Deposit with Landlord's own funds. In the event that Tenant shall fully comply with all the terms, covenants, conditions and agreements of this Lease, the security or any balance thereof shall be returned to Tenant following the expiration of this Lease. Tenant shall not be entitled to any interest on the security.

41. Miscellaneous Provisions: The following miscellaneous provisions form a part of this Lease:

Time is of the essence of each provision of this Lease.

Rent and all other sums payable under this Lease must be paid in lawful money of the United States of America.

The unenforceability, invalidity, or illegality of any provision shall not render the other provisions unenforceable, illegal, or invalid.

This Lease shall be construed and interpreted in accordance with the laws of the State of Michigan.

This Lease contains all of the agreements of the parties and cannot be amended or modified except by a written agreement.

The captions of this Lease shall have no effect on its interpretation.

The parties have caused this Lease to be executed as of the day and year first above written.

**LANDLORD:**

**LIVONIA PUBLIC SCHOOLS**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**TENANT:**

**LEARNING TREE CHILDCARE CENTER, INC. - NORTH**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**  
**BUILDING MAP**

**(see attached)**