

ADKISON, NEED, ALLEN, & RENTROP

PROFESSIONAL LIMITED LIABILITY COMPANY

KELLY A. ALLEN JESSICA A. HALLMARK JOHN W. KUMMER GREGORY K. NEED G. HANS RENTROP

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PHILLIP G. ADKISON
KEVIN M. CHUDLER
KATHERINE A. TOMASIK

June 16, 2022

Via Electronic Mail

Ms. Leanne Scott, Clerk City of Rochester Hills 1000 Rochester Hills Drive Rochester Hills, MI 48307

Re:

Application for Quota Class C Liquor License SKR Golf, LLC, Doing Business as Tee Times 2612-2618-2622 Rochester Rd., Rochester Hills, Michigan

Dear Ms. Scott:

This is SKR Golf, LLC's ("SKR Golf") application for a Quota Class C license to be located at 2612-2618-2622 Rochester Rd., Rochester Hills. SKR Golf will do business as Tee Times ("Tee Times").

Pursuant to the Michigan Liquor Control Commission's website, the City of Rochester Hills ("City") has four (4) quota Class C licenses available.

SKR Golf is seeking approval for a Class C liquor license to operate a golf simulator business and restaurant. Tee Times will offer food and beverage service in conjunction with 12 golf simulator machines. Attached is Tee Times proposed menu. Tee Times proposed hours of operation will be seven days a week from 9:00 a.m. - 11:00 p.m. Tee Times will be located on the southwest corner of Rochester and Wabash Roads.

SKR Golf will occupy approximately 9,000 square feet of the Hawthorn Shopping Plaza and will have approximate seating for 74 patrons with a total occupancy of 104.

The members of SKR Golf are Brandon Shaya, Azal Rofail, and Neshwan Khami. There will be 40 full-time and part-time employees. SKR Golf will renovate the space and install 12 golf simulator machines. The total cost of the renovation and equipment is approximately \$1.5 million. A portion of the cost of the machines will be financed by the golf simulator machine company and the balance of the costs paid by the members of SKR Golf. SKR Golf expects to complete the renovations by fall of 2022.

Brandon Shaya is licensed by the Michigan Liquor Control Commission at CJ Mahoney's in Rochester Hills since 2014 and CJ's Pub in Utica since 2016. Azal Rofail owns and operates two restaurants without liquor licenses, Mr. Kabob located in Livonia and Southfield.

SKR Golf was approved by the City of Rochester Hills Planning Department on June 14, 2022. SKR Golf is eligible for a Class C license according to the City of Rochester Hills Code Article 11, Sec. 6-35.

Enclosed for your review are the following:

- 1. Attached are the following documents for the City's review:
 - a. City of Rochester Hills Liquor License Application Form.
 - b. Filed Articles of Organization and Operating Agreement for SKR Golf, LLC.
 - c. Lease Agreement.
 - d. Menu.
 - e. Floor plan of the establishment.
 - f. Financial statements for Brandon Shaya, Azal Rofail and Neshwan Khami.

Our client Brandon Shaya will drop off the application fee payable to City of Rochester Hills for \$1,000.00. Please consider all personal and business documents confidential, and please do not release any of this documentation to the public. Please begin the City's review of this application as soon as possible. Please call me if you have any questions whatsoever. We look forward to meeting with you and being heard on the City Council's Agenda as soon as possible. Thank you for your assistance in this matter.

Very truly yours,

ADKISON, NEED, ALLEN, & RENTROP, PLLC

Kelly A Allen

lbp Enclosures

cc: Brandon Shaya, Neshwan Khami, and Azal Rofail (via electronic mail; with enclosures)



CITY OF ROCHESTER HILLS LIQUOR LICENSE APPLICATION

The Rochester Hills City Council will consider whether an applicant's proposal for a liquor license is reasonable when measured against the information contained within this completed application. Please answer each question thoroughly. Failure to provide all required information or attachments could result in a delay or denial of a liquor license.

City Council reserves the right to exercise reasonable discretion to determine who, if anyone, shall be entitled to the issuance of a license. As a general matter of policy, applicants for a license will need to demonstrate an identifiable benefit to the City and its inhabitants resulting from the granting of the license.

Type of license applying for (check all those	that apply):	
New Class C License	Resort (transfer)
Class C License (transfer)	Tavern (transfé)
Microbrewery/Distiller	Other:	
GENERAL INFORMATION:		
Applicant's Name: Brandon Shaya		Date: 06/08/2022
Business Name: SKR Golf LLC DBA Te	e Times	
Address: 1130 Prescott Dr Rochester I	Hills, MI 48309	
Phone: (248) 420-0908	_ Email: <u>brandonshaya</u>	a@gmail.com
Are you the sole owner and proprietor?	res ☑ No	
Is the business to be operated as a \square partner company?	nership. 🗆 company. 🗆 co	rporation, or ☑ limited liability -
Length of time business has been in operat	ion: New Business	
List any other businesses you are affiliated	with in and outside of the	City of Rochester Hills:
CJ Mahoney's		
CJ Pub	11.00	

SUBJECT PROPERTY: Location of Proposed License: 2612 S Rochester Road Rochester Hills, MI 48307 Does applicant presently own the premises? ☐ Yes ☐ No If no, name of owner of premises: Legal description of property: Hawthorne Plaza APPLICANT INFORMATION: Applicant's Name: Brandon Shaya Phone No.: (248) 420-0908 City: Rochester Hills ST: MI Address: 1130 Prescott Dr Age: <u>42</u> Citizenship: <u>U.S.</u> Date of Birth: <u>01/03/1980</u> Birthplace: (City/ST): Royal Oak, MI If naturalized, year and place: ______ If the applicant is a partnership, company, corporation or limited liability company, give the names, addresses and dates of birth of all persons who will have any financial investment in the licensed business or who will share in the profits of the licensed business: If a partnership, please complete the following: Partner's Name: Azal Rofail Phone No.: (248) 259-1717 Address: 794 Dutton Rd Chy: Rochester Hills ST: MI Citizenship: U.S. Date of Birth: 07/15/1974 Age: 47 Birthplace: (City/ST): Baghdad, Iraq If naturalized, year and place: 2004 in Grand Rapids, MI Phone No.: (586) 214-4988 Partner's Name: Neshwan Khami City: Shelby Township ST: MI Address: 52731 Tuscany Grove Citizenship: U.S. Age: 44 Date of Birth: 04/24/1978 Birthplace: (City/ST): Baghdad, Iraq If naturalized, year and place: ___1984 in Detroit, MI

If a corporation, provide the names, addresses and date of birth of each of the officers and directors:

NAME	ADDRESS	DATE OF BIRTH
	Market 1980 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 - 1981 -	
Has applicant (or any other individua	als listed above) ever been convicted	l óf a felony?
		,
☐ Yes ☑ No		
If convicted of felony, please explain	;	
ADDITIONAL INFORMATION REQL	IIRFD: (Please provide the follow	ing)
ADDITIONAL INI ORIMATION REGE	muro: (Freeze provide the followi	iiig)
Evidence of financial re 5 years).	esponsibility (submit detailed fina	ncial statements for past
Floor plan, including se	eating and bar layout and total occ	cupant capacity.
Menu (food and drink). food.	Provide the percentage of gross	revenue from the sale of
Authorization to Obtain (form included in appli	Information & Release for Purpo lication packet)	ses of Licensure

Has the applicant ever applied for a liquor license previously? ☑ Yes □ No
Has this applicant ever been denied a liquor license? ☐ Yes ☑ No
Have there been any recent liquor licenses at this location? 🗆 Yes 🛮 🖾 No
Was a liquor license ever suspended or revoked? 🗆 Yes - 🖾 No - If yes, explain the circumstances:
Describe the proposed character/type/theme of establishment: State of the art indoor golf
simulator with full service bar and restaurant
What proposed or actual commitments are being made by the applicant to establish permanency in the community?
What other factors should the Rochester Hills City Council consider?

SIGNATURES:

By signing this application, the property owner is granting approval for the applicant to seek a liquor license at this location. By signing this application, the applicant and contact person are indicating that all information contained in this application, all accompanying plans and all attachments are complete and accurate to the best of his or her knowledge. This application is not valid unless signed by the property owner. A review fee is required at the time of application in accordance with the fee schedule as adopted by the City Council.

Signature(s) of Property Owner:	Roll Trans		6-17-2023
Awa n Bananini watakana 12 Bananini 27 Lu. 1966awa 16 2	(Name)		(Date)
Signature of Applicant:(24	ÿ	6-17-2020
J. J	(Name)		(Date)
Circulture of Contact Devoors	Les Jalas		6/15/2022
Signature of Contact Person:	(Name)		(Date)

NOTE:

Applicant must meet with the Liquor License Technical Review Committee prior to appearing before City Council.

In addition to completing the Liquor License application, any new establishment serving alcoholic beverages will also need to complete the Planning Department's Development Application to apply for a Conditional Land Use (as indicated in Section 138-4.300 of the City's Zoning Ordinance).



Form Revision Date 02/2017

ARTICLES OF ORGANIZATION

For use by DOMESTIC LIMITED LIABILITY COMPANY

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

Ar	tic	e	I
. 10.000			

The name of the limited liability company is:

SKR GOLF LLC

Article II

Unless the articles of organization otherwise provide, all limited liability companies formed pursuant to 1993 PA 23 have the purpose of engaging in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan. You may provide a more specific purpose:

Article III

The duration of the limited liability company if other than perpetual is:

Article IV

The street address of the registered office of the limited liability company and the name of the resident agent at the registered office (P.O. Boxes are not acceptable):

1. Agent Name:

JERRY HAMLING

2. Street Address:

445 S. LIVERNOIS

Apt/Suite/Other:

SUITE 101

City:

ROCHESTER HILLS

State:

MI

Zip Code: 48307

3. Registered Office Mailing Address:

P.O. Box or Street

Address:

445 S. LIVERNOIS

Apt/Suite/Other:

SUITE 101

City:

ROCHESTER HILLS

State:

MI

Zip Code: 48307

Signed this 21st Day of March, 2022 by the organizer(s):

Signature

Title

Title if "Other" was selected

Jerry Hamling

Organizer

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

C Decline

@ Accept

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS FILING ENDORSEMENT

This is to Certify that the ARTICLES OF ORGANIZATION

for

SKR GOLF LLC

ID Number:

802828315

received by electronic transmission on March 21, 2022 , is hereby endorsed.

Filed on

April 01, 2022

, by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 1st day of April, 2022.

Linda Clegg, Director

Linda Class

Corporations, Securities & Commercial Licensing Bureau

OPERATING AGREEMENT

OF

SKR GOLF, LLC

a Michigan Limited Liability Company

THE MEMBERSHIP INTERESTS REFERRED TO HEREIN ("INTERESTS") HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE. SUCH INTERESTS ARE BEING OFFERED AND SOLD UNDER THE EXEMPTION PROVIDED BY SECTION 4(2) OF THE SECURITIES ACT, AND/OR PURSUANT TO REGULATION D OF THE SECURITIES AND EXCHANGE COMMISSION.

A PURCHASER OF ANY INTEREST MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE AND, THEREFORE, CANNOT BE SOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THERE IS NO OBLIGATION OF THE COMPANY TO REGISTER THE INTERESTS UNDER THE SECURITIES ACT.

ARTICLE VII OF THE OPERATING AGREEMENT PROVIDES FOR FURTHER RESTRICTIONS ON TRANSFER OF THE INTERESTS.

OPERATING AGREEMENT

OF

SKR GOLF, LLC

a Michigan limited liability company

This Operating Agreement (hereinafter, as the same may be amended and/or supplemented, referred to as this "Agreement") is made and entered into effective as of April 1, 2022, with respect to SKR GOLF, LLC, a Michigan limited liability company (the "Company"), by and among Brandon Shaya, Neshwan Khami and Azal Rofail (the "Members").

ARTICLE I ORGANIZATION

Section 1.1 Formation.

The Company was formed as a limited liability company pursuant to the Michigan Limited Liability Company Act, as may be amended from time to time (the "Act"), by filing Articles of Organization with the Michigan Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, Corporate Division, on April 1, 2022.

Section 1.2 Name.

The name of the Company is "SKR Golf, LLC." The Company may also transact its business under any assumed name or names selected by the Members at any time and from time to time.

Section 1.3 Principal Office; Agent For Service of Process.

The principal office of the Company shall be located at 445 S. Livernois, Suite 101, Rochester Hills, Michigan 8307 and/or such other address(es) as may be designated from time to time by the Members. The name and address of the registered agent for service of process on the Company in the State of Michigan is Jerry Hamling, or such other agent and address as may be designated from time to time by the Members.

Section 1.4 Term.

The term of the Company commenced on the date of the initial filing of the Articles of Organization for the Company and shall continue indefinitely, provided however, that the term shall end, and the Company shall dissolve, on the first to occur of:

(a) the date the Company is liquidated pursuant to Article IX hereof; or

(b) the occurrence of any event which would, under the Act (notwithstanding the provisions hereof) result in the dissolution of the Company; provided, however, that the term of the Company shall not end upon the occurrence of such an event if the Company is reconstituted or otherwise continues as provided herein.

Section 1.5 Ownership of Company Property.

All property owned by the Company, whether real or personal, tangible or intangible, shall be owned by the Company as an entity and will be in the Company's name. No Member, individually, will have any ownership of such property.

Section 1.6 Liability of Members.

Unless otherwise provided by law or expressly assumed in writing, a Person who is a Member shall not be liable for the acts, debts, or liabilities of the Company. The debts, obligations, and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Company, and the Members shall not be obligated personally for any such debt, obligation, or liability of the Company solely by reason of being a Member of the Company. A Member shall not be required to make any contributions beyond the amount of the Capital Contribution reflected on the Company's books and records.

Section 1.7 Taxation as a Partnership.

The Members intend that the Company shall be taxed as a partnership, pursuant to Subchapter K of the Code, for federal and state income tax purposes, and agree to report all Company items of income, gain, loss, deduction, and credit in accordance with that Subchapter.

Section 1.8 Definitions.

Capitalized terms used in this Agreement have the meanings set forth in Exhibit B.

ARTICLE II PURPOSES AND POWERS

Section 2.1 Purposes.

The Company was formed to develop and operate a golf simulator business (the "Business") but may also engage in any lawful business activity agreed upon by the Members.

Section 2.2 Powers.

The Company shall have all of the powers that are necessary or appropriate to carry out its purposes as described in 2.1 hereof. Except as expressly and specifically provided herein, no Member individually, except as provided herein, shall have any authority to act for, bind, commit, or assume any obligation or responsibility on behalf of the Company, its properties, or the other Members.

Section 2.3 Approval of the Lease.

The Members hereby ratify the form, terms and provisions of the lease agreement dated April 7, 2022, for the Business located in the combined space of 2612, 2618 and 2622 S. Rochester Road, Rochester Hills, Michigan 48307, and all of the documents executed in connection therewith and/or empower and direct the Members to execute such consents, documents, agreements, instruments or certificates and to take such other actions on the Company's behalf as may be necessary or useful to lease the space and operate the business, including applying for and securing a liquor license for the Business. All such actions may and shall be taken without any further act, vote or approval of any Member, Members, or other Person notwithstanding any other provision of this Agreement, the Act or other applicable law, rule, or regulation.

ARTICLE III CAPITAL CONTRIBUTIONS

Section 3.1 Capital Contributions.

- (a) Each Member's initial capital contribution to the Company is set forth on the Company's books and records (the "Initial Capital Contributions").
- (b) The names and Ownership Percentages of the Members are as set forth on Exhibit A, which Exhibit A shall be amended and replaced from time to time upon the admission or withdrawal of any Member in accordance with the provisions of this Agreement, and upon the change in the Capital Contribution or interest of any Member.

Section 3.2 Loans.

If at any time the Members determines that the Company requires additional funding, then upon the vote of a Majority in Interest of the Members, the Members may borrow funds from any person, whether a third party, a Member, or his Affiliate.

Section 3.3 Additional Funds.

In addition to debt financing available pursuant to Section 3.2, the Members, after receiving the vote of a Majority in Interest of the Members, may elect to obtain additional funds by way of equity contributions ("Additional Capital Contributions") from the Members. In the event of any such election, the Members will notify each Member of the request for Additional Capital Contributions, the terms thereof (as established by the Majority in Interest of the Members including, but not limited to, valuation in relation to the Initial Capital Contributions and fair market value of the property), and the Member's pro rata share thereof. If any Member elects not to contribute its share of the Additional Capital Contributions or elects to contribute only a portion thereof, the other Member(s) will be entitled to contribute the Additional Capital Contributions not contributed by the Member pro-rata to their percentage interest. Unless a different time is established by a Majority in Interest of the Members, each Member must elect to exercise its right to make an Additional Capital Contribution within fifteen (15) days after receipt

of written notice from the Members requesting the Additional Capital Contributions. For any of the Additional Capital Contribution not taken, the remaining Member(s) shall have five (5) days to elect to take their pro-rata share of the unsubscribed Additional Capital Contributions. Upon the expiration of such fifteen (15) day and five (5) day periods, for any needed Additional Capital Contributions not funded by the Members, the Members, on behalf of the Company, will be free to obtain such Additional Capital Contributions from such other Persons as the Members elects. Simultaneously with the payment of any Additional Capital Contributions, the Members will have the right to admit any Person contributing Additional Capital Contributions as a Member of the Company, with such Person being obligated to join this Agreement, and to revise Exhibit A hereto to reflect the changes in the Profit Percentages of the Members (i.e., increase in the Ownership Percentages of the Members or other Persons making the Additional Capital Contributions and the decrease in the Ownership Percentages of any Members not making the Additional Capital Contributions, based on the then book value of the Company, as determined by the Majority in Interest of the Members), and distributions and allocations under this Agreement will be adjusted accordingly. Each Member hereby appoints the Members, as its true and lawful attorney-in-fact, in its name and behalf, to execute all documents and to take all actions necessary to effect the foregoing consistent with the terms set forth by the Members. The Members acknowledge and agree that all Membership Interests, Ownership Percentages, and any rights in respect thereof, are subject to dilution in the event that Additional Capital Contributions are contributed to the Company. The provisions of this Section are intended to serve only for the benefit of the Members, inter se and no third party will have any right whatsoever to benefit from the provisions hereof. None of the provisions of this Agreement will be construed as existing for the benefit of any creditor of the Company or of any creditor of any of the Members, and none of such provisions will be enforceable by any Person who is not a Member.

Section 3.4 No Interest on Capital Contributions or Capital Accounts.

No Member shall receive any interest or return in the nature of interest on its contributions to the capital of the Company, or on the positive balance, if any, of its Capital Account.

Section 3.5 <u>Capital Accounts</u>.

- (a) The Company shall establish and maintain a capital account ("Capital Account") for each Member. The Members intend that the Capital Accounts of the Members shall be determined and maintained throughout the full term of the Company in accordance with the partnership accounting rules of Section 704 of the Internal Revenue Code of 1986, as amended (the "Code") and Treasury Regulations §1.704-1(b)(2)(iv) or any subsequent similar provisions. Accordingly, the Members understand and agree that the amounts of Profits and Losses allocated to each Member as provided in Article IV hereof will be credited or debited to the Members' Capital Accounts and will affect the amounts received by the Members upon liquidation.
- (b) If, for any fiscal year, there shall be (i) a contribution of more than a de minimis amount of money or other property to the Company by one or more additional Members or by one or more existing Members where such contribution or contributions alter the interest of any Member in the profits of the Company; (ii) a distribution of more than a de minimis amount of money or other property to one or more retiring or continuing Members in connection with a

withdrawal or redemption where such distribution or distributions alter the interest of any member in the profits of the Company; (iii) a revaluation of the Company's assets under generally accepted industry accounting practices and at such time substantially all of the Company's property (excluding money) consists of stock, securities, commodities, options, warrants, futures or similar instruments that are readily tradable on an established security market; or (iv) a liquidation of the Company (within the meaning of Treasury Regulation § 1.704-1(b)(2)(ii)(g)) (each a "Revaluation Event"), then the Company may, in discretion of the Members, adjust each Member's Capital Account pursuant to Treasury Regulation § 1.704-1 (b)(2)(iv)(f) to reflect the revaluation of the Company's property.

Section 3.6 Membership Interest; Ownership Percentages.

- (a) For the purposes hereof, the term "Membership Interest" means, with respect to a Member, such Member's right to the allocations (and each item thereof) specified in Section 4.1 hereof and distributions from the Company, and his rights of consent, approval and the like as provided herein. Each Membership Interest also includes the right to that Person's Ownership Percentages.
- (b) For the purposes hereof, the term "Ownership Percentages" means, with respect to each Member, the percentage set forth opposite such Member's name on Exhibit A attached hereto (as the same may be adjusted from time to time in accordance with this Agreement, which shall be reflected on an amended Exhibit A). The initial Ownership Percentages are set forth on Exhibit A.

Section 3.7 No Withdrawals of Capital Contributions.

No Member shall have the right to withdraw or reduce its capital contributions, and no Member shall have the right to a partition of any asset owned by the Company or to receive property other than cash in return for its capital contributions.

ARTICLE IV ALLOCATIONS / PROFITS AND LOSSES

Section 4.1 Allocations.

- (a) For the purposes hereof, the terms "Profits" and "Losses" mean, respectively, for each fiscal year of the Company or other period, the Company's taxable income or loss for such fiscal year or other period, determined in accordance with Section 703(a) of the Code (for this purposes, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), adjusted as follows:
- (1) any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this Section 4.1(a) shall be added to such taxable income or loss;

- (2) in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period;
- (3) if the Book Value of any Company property is adjusted pursuant to the terms hereof, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such property; and
- (4) any items that are specially allocated pursuant to Section 4.1(b), Section 4.1(e) or Section 4.1(g) hereof, shall not be taken into account in computing Profits or Losses.
- (b) Except as provided in Section 4.1(d) hereof, the Profits and Losses of the Company (and each item thereof) for each fiscal year shall be allocated among the Members in accordance with this Section 4.1(b).

(1) Profits shall be allocated:

- (A) to the Members to the extent of any Losses previously allocated to each Member pursuant to Section 4.1(b)(2) hereof (in an amount and priority as provided therein) over the cumulative Profits allocated to them pursuant to this Section 4.1(b)(A); and then
- (B) to the Members in proportion to their respective Ownership Percentages.

(2) Losses shall be allocated:

(A) to the Members in proportion to and to the extent of their positive Capital Account balances; and then

- (B) to the Members in proportion to their respective Ownership Percentages.
- (c) For the purposes of Section 4.1(b) hereof, gain or loss resulting from the disposition of Company property shall be computed by reference to the Book Value of the property disposed of, notwithstanding that the adjusted tax basis of such property for federal income tax purposes differs from its Book Value.
- (d) Notwithstanding the foregoing provisions of this Section 4.1, the following provisions shall apply:
- (1) Nonrecourse Deductions shall be allocated to the Members in proportion to their Ownership Percentages. If there is a net decrease in Minimum Gain for a fiscal year of the Company, in accordance with Regulations Section 1.704-2(f) and the exceptions contained therein, the Members shall be allocated items of Company income and gain for such Company fiscal year (and, if necessary, for subsequent Company fiscal years) equal to the Members' respective shares of the net decrease in Minimum Gain within the meaning of

Regulations Section 1.704-2(g)(2). The items to be allocated pursuant to this Section 4.1(d)(1) shall be determined in accordance with Regulations Section 1.704-2(f) and (j).

- (2) Any item of Partner Nonrecourse Deduction shall be allocated to the Member or Members who bear the economic risk of loss for the Partner Nonrecourse Debt to which such Partner Nonrecourse Deduction is attributable in accordance with Regulations Section 1.704-2(i)(1). Subject to Section 4.1(d)(1) hereof, but notwithstanding any other provision hereof, in the event that there is a net decrease in Minimum Gain attributable to a Partner Nonrecourse Debt (such Minimum Gain being hereinafter referred to as "Partner Nonrecourse Debt Minimum Gain") for a fiscal year of the Company, then after taking into account allocations pursuant to Section 4.1(d)(1) hereof, but before any other allocations are made for such taxable year, and subject to the exceptions set forth in Regulations Section 1.704-2(i)(4), each Member with a share of Partner Nonrecourse Debt Minimum Gain at the beginning of such Company fiscal year shall be allocated items of income and gain for such year (and, if necessary, for subsequent years) equal to such Member's share of the net decrease in Partner Nonrecourse Debt Minimum Gain as determined in a manner consistent with the provisions of Regulations Section 1.704-2(g)(2). The items to be allocated pursuant to this Section 4.1(d)(2) shall be determined in accordance with Regulations Section 1.704-2(i)(4) and (j).
- No Member shall be allocated any deduction of the Company if (3)such allocation would cause such Member's Capital Account to become negative by more than the sum of (i) any amount such Member is obligated to restore upon liquidation of the Company, plus (ii) such Member's share of the Company's Minimum Gain and Partner Nonrecourse Debt Minimum Gain. For these purposes, in determining the Capital Account balance of such Member, the items described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5), and (6) shall be taken into account. In the event that (A) any Member unexpectedly receives any adjustment, allocation, or distribution described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5), or (6), and (B) such adjustment, allocation, or distribution causes or increases a deficit balance (net of amounts which such Member is obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c) and deemed obligated to restore pursuant to Regulations Section 1.704-2(g)(1)(ii) and 1.704-2(i)(5) and determined after taking into account any adjustments, allocations, or distributions described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5), or (6) that, as of the end of the Company taxable year, reasonably are expected to be made to such Member) in such Member's Capital Account as of the end of the Company taxable year to which such adjustment, allocation, or distribution relates, then items of gross income for such taxable year and each subsequent year shall be allocated to such Member until such deficit balance or increase in such deficit balance, as the case may be, has been eliminated. In the event that this Section 4.1(d)(3) and Section 4.1(d)(1) and/or Section 4.1(d)(2) hereof apply, Section 4.1(d)(1) and/or Section 4.1(d)(2) hereof shall be applied prior to this Section 4.1(d)(3).
- (4) The allocations set forth in Section 4.1(d)(1), Section 4.1(d)(2), and Section 4.1(d)(3) (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 4.1(d)(4). Therefore, notwithstanding any other provision of this Section 4.1 (other than the Regulatory Allocations), offsetting special allocations of Company income, gain, loss or

deduction shall be made in whatever manner the Members may determine after consultation with the Company's accountants so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 4.1(b) hereof.

- (e) In accordance with Sections 704(b) and 704(c) of the Code and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and the initial Book Value of such property. If the Book Value of any Company property is adjusted pursuant to Section 3.5 hereof, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and the Book Value of such asset in the manner prescribed under Sections 704(b) and 704(c) of the Code and the Regulations thereunder.
- (f) Notwithstanding anything to the contrary contained in this Section 4.1, the allocation of Profits, Losses, and items thereof of any fiscal year of the Company during which a Person acquires a Membership Interest (other than upon formation of the Company) shall take into account the Members' varying interests for such fiscal year pursuant to any method permissible under Section 706 of the Code that is selected by the Members (notwithstanding any agreement between the assignor and assignee of such Membership Interest).
- portion thereof or upon the death of a Member, if the Company has not theretofore elected, pursuant to Section 754 of the Code, to adjust the basis of Company property, the Members shall cause the Company to elect, if the Person acquiring such Membership Interest or portion thereof so requests, pursuant to Section 754 of the Code, to adjust the basis of Company property. In addition, in the event of a distribution referred to in Section 734(b) of the Code, if the Company has not theretofore elected, the Members may, in the exercise of its reasonable discretion, cause the Company to elect, pursuant to Section 754 of the Code, to adjust the basis of Company property. Except as provided in Regulations Section 1.704-1(b)(2)(iv)(m), such adjustments shall not be reflected in the Members' Capital Accounts and shall be effective solely for federal and (if applicable) state and local income tax purposes. Each Member hereby agrees to provide the Company with all information necessary to give effect to such election.
- (h) The Profits, Losses, and credits of the Company (and all items thereof), for each fiscal year of the Company, shall be determined in accordance with the accounting method followed by the Company for federal income tax purposes.
- (i) Except as provided in Section 4.1(e) and Section 4.1(g) hereof, for federal income tax purposes, each item of income, gain, loss or deduction shall be allocated among the Members in the same manner as its correlative item of "book" income. gain, loss or deduction has been allocated pursuant to this Section 4.1.

Section 4.2 <u>Distributions of Available Cash.</u>

Available Cash will be distributed, as and when the Majority in Interest of the Members determine, but at least annually, to the Members in accordance with their respective Ownership Percentages. In the event of any inconsistency between the provisions of this Section 4.2 and the provisions of Section 9.1(a) hereof, the latter provisions shall govern and control.

Section 4.3 Tax Distributions.

The Members shall attempt to manage the Company's business to permit the distribution of Available Cash in an amount to each Member so as to enable each Member (or such Member's partners or members if it is a flow through entity for Federal income tax purposes) to pay its federal, state, and local income taxes. Tax liabilities anticipated on the Company's Profits and estimated to be allocable to each Member under this Agreement shall be determined using the highest combined Federal, state, and local tax rates applicable to any of the Members as of the date of distribution. If there is Available Cash and such distributions are permitted by law and any loan agreements entered into by the Company, such distribution shall be paid with respect to a fiscal year or taxable period of the Company no later than ninety (90) days after the end of such taxable period, or at such earlier times and in such amounts as may be determined in good faith by the Members to be appropriate to enable the Members to timely pay estimated income tax liabilities. Distributions made pursuant to this Section 4.3 shall be treated as advances against distributions required to be made to a Member under Section 4.2.

Section 4.4 Distribution Restrictions.

The Company shall not distribute Available Cash if prohibited by the Act or any financing or other agreements the Company is a party to.

Section 4.5 Bank Accounts.

One or more accounts in the name of the Company shall be maintained in such bank or banks as the Members may from time to time select. Any checks of the Company may be signed by any Person(s) designated, from time to time, by the Members.

Section 4.6 Books and Records.

The Company shall maintain at its principal office its books of account and records of its operations showing the assets, liabilities, costs, expenditures, receipts, profits, and losses of the Company. Each Member and its representatives shall have the right to inspect and examine, at all reasonable times, at the Company's office, all such books of account and records. The Members may appoint a firm of certified public accountants, to prepare annual reports of the financial condition of the Company prepared in accordance with United States generally accepted accounting principles, including a balance sheet, statement of income and statement of cash flows (which such statement of cash flows details all capital expenditures and distributions to Members made during such annual period).

Section 4.7 Fiscal Year.

The Company's fiscal year shall be December 31 of each year unless the Company shall be required to operate on a different fiscal year to conform with Code §706 and the Regulations thereunder.

ARTICLE V MANAGEMENT

Section 5.1 The Members.

The Company shall be managed by the Members.

Section 5.2 Power of the Members.

- (a) Subject to Section 5.3, the Members shall have complete control over the Company's day to day operations. The Members will have all of the rights and powers of a "Manager" as provided in the Act. Without limiting the foregoing, the Members have the power to:
- (1) Collect and receive all rents and other payments relating to the Property and to disburse Company funds for Company purposes;
 - (2) Employ contractors and professionals;
 - (3) Pay all Company obligations;
- (4) Purchase and maintain insurance on behalf of the Company and its Members, Members and employees or agents against any liability or expense asserted against or incurred by the Company or such Persons;
- (5) Perform all ministerial acts and duties relating to the payment of all indebtedness, taxes, and assessments due or to become due with regard to the Property, and to give and receive notices, reports, and other communications arising out of or in connection with the ownership, indebtedness, or maintenance of the Property; and
- (6) Commence, prosecute, or defend any proceeding in the Company's name.
- (7) Engage in any kind of activity and perform and carry out contracts of any kind necessary to, or in connection with or convenient or incidental to, the accomplishment of the purposes of the Company, so long as said activities and contracts may be lawfully carried on or performed by a limited liability company under the laws of the State of Michigan.

Section 5.3 <u>Limitations on Members' Powers</u>

Notwithstanding anything to the contrary contained herein, the Members' actions enumerated below shall require the vote of a Majority in Interest of the Members:

- (1) the sale, development or refinancing of the Business;
- (2) the creation of any subsidiaries or entering into any joint venture, co-venture, or partnership arrangements;
- (3) the giving of any guarantee or indemnity to secure the indebtedness of any Person, or making any loan or advance or giving any credit to any Person other than trade credit in the ordinary course of the Company's business or loans required or permitted by any of the loan documents, including protective advances in the Property;
- (4) the entering into or agreeing to enter into any merger transaction involving the Company;
- (5) the amendment, alteration, or repeal of any provision of the Company's Articles of Organization or this Agreement;
 - (6) the winding up or liquidating the Company;
- (7) the admission of any new Member or the acceptance of any additional capital contributions from an existing Member;
- (9) entering into any transaction with an Affiliate of the Members or any Member;
- (01) any other actions where this Agreement expressly requires the vote of a Majority in Interest of the Members, including, without limitation, Section 3.2, Section 3.3, Section 5.1 and Section 7.3(b).

Section 5.4 Members' Time

The Members shall devote such time and efforts as he believes is necessary to accomplish the Company's objectives and purposes. It is expressly agreed that the Members will be involved in numerous other business ventures and will not be allocating full time to the Company, and the Members shall not be restricted from pursuing other investments and activities.

Section 5.5 <u>Compensation of Members.</u>

Unless otherwise approved by the vote of a Majority in Interest of the Members, the no Member and no Affiliate shall receive any compensation or guaranteed payment for services rendered to or performed for or on behalf of the Company.

Section 5.6 Officers; Execution of Legal Instruments.

The Members may from time to time designate one (1) or more persons (who need not be Members) as officers of the Company who shall exercise such powers and shall have such duties as may from time to time be established by the Members by written instrument. Any designated officer shall serve at the pleasure of the Members and may be removed at any time with or without Cause by the Members, subject to any employment agreement between the Company and such person. In addition, the Members may from time to time designate one (1) or more persons (who need not be Members) as authorized signatories of the Company (each an "Authorized Signatory"), and all legal instruments affecting the Company or its assets, need be executed by, and only by, the Members, or an Authorized Signatory and such Person's(s') signature(s) shall be sufficient to bind the Company and its assets.

Section 5.7 Indemnity and Reimbursement.

To the fullest extent permitted by law, the Company shall indemnify, defend, and hold harmless the Members from any loss, damage, liability, judgment, cost. or expense including, but not limited to, attorneys' fees and court costs, which may be asserted against, imposed upon, or suffered by it by reason of any act performed for or on behalf of the Company (including the Property), or by reason of any omission, unless such indemnification is prohibited by the Act, or the acts were proven in a court of proper jurisdiction to have been willful misconduct or gross negligence. Except as otherwise provided in the Act, no Member shall be liable to the Company or to the other Members by reason of any act performed for or on behalf of the Company, or in furtherance of the Company's business, or by reason of any omission. Any indemnity under this 5.7 shall be provided out of and to the extent of Company assets only, and no Member or Members shall have any personal liability on account thereof. The indemnity provided under this 5.7 shall survive the liquidation, dissolution, and termination of the Company and the termination of this Agreement. The Members may choose to purchase and maintain directors' and officers' liability insurance coverage, on terms satisfactory to the Members.

Section 5.8 Limited Liability.

Except as otherwise provided by the Act, the Company's debts, obligations, and liabilities, whether arising in contract, tort, or otherwise, shall be solely the Company's debts, obligations, and liabilities, and the Members shall not be personally obligated for any such debt, obligation, or liability of the Company solely by reason of being a Member of the Company. If and to the extent a Member's contribution shall be fully paid, such Member shall not, except as required by the express provisions of the Act regarding repayment of sums wrongfully distributed to Members, be required to make any further contributions.

Section 5.9 Waiver of Fiduciary Duties.

The Members will manage the Company as they deem to be in the best interest of all of the Members. The Members are not required to exercise any particular standard of care, nor will they owe any fiduciary duties to the Company or the other Members, all of which are hereby expressly waived. Such excluded duties include, by way of example, not limitation, any duty of care, duty of loyalty, duty of reasonableness, duty to exercise proper business judgment, duty to

make business opportunities available to the Company, and any other duty which is typically imposed upon partners or corporate officers and directors, general partners, or trustees. A Member will not be held personally liable for any harm to the Company or the other Members resulting from any acts or omissions attributed to them. Such acts or omissions may include, by way of example but not limitation, any act of negligence, gross negligence, or intentional misconduct.

ARTICLE VI TAX MATTERS

Section 6.1 Tax Matters Partner.

The "Tax Matters Partner" of the Company under Section 6231(a)(7) of the Code will be Neshwan Khami. The Tax Matters Partner shall comply with the requirements of Sections 6221 through 6231 of the Code applicable to a Tax Matters Partner. To the fullest extent permitted by law, the Company shall and does hereby indemnify, defend, and hold harmless the Tax Matters Partner from any claim, demand, or liability, and from any loss, cost, or expense including, without limitation, attorneys' fees and court costs, which may be asserted against, imposed upon, or suffered by the Tax Matters Partner by reason of any act performed for or on behalf of the Company its capacity as Tax Matters Partner, or by reason of any omission, except acts or omissions that constitute gross negligence or willful misconduct. Any indemnity under this Section 6.1 shall be provided out of and to the extent of Company assets only, and no Member shall have any personal liability on account thereof. The indemnity provided in this Section 6.1 shall survive the liquidation, dissolution, and termination of the Company and the termination of this Agreement.

Section 6.2 Tax Returns.

Within ninety (90) days after the end of each fiscal year, provided that the Company has sufficient information, the Company shall use its best commercial efforts to cause to be prepared and transmitted to the Members federal and appropriate state and local Partnership Income Tax Schedules "K-1," or any substitute therefor, with respect to such fiscal year on appropriate forms prescribed.

Section 6.3 <u>Tax Elections</u>.

To the extent that the Company may be or is required to make elections for federal, Michigan, and other state or local income or other tax purposes, and to the extent that Members may be or are required to make such elections concerning any property or business of the Company or Property (or any assets therein), such elections shall be made in such manner as is determined by the Tax Matters Partner.

Section 6.4 Consistency of Tax Treatment.

No Member shall treat a Company tax item on its federal, Michigan, or other state or local income or other tax returns or permit an Affiliate to treat a Company tax item on such

Affiliate's tax returns in a manner inconsistent with the treatment of such item on the Company's Federal, Michigan, or other state or local tax returns.

Section 6.5 <u>Tax Coordination</u>.

- (a) The Tax Matters Partner shall keep the other Members informed of all administrative and judicial proceedings for the adjustment at the Company level of Company items and each other Member shall promptly provide to the Tax Matters Partner copies of all correspondence to or from, or summaries of any other communications with, the Internal Revenue Service or the United States Departments of Treasury or Justice or with Michigan or other state or local tax authorities any tax matter or issue or any Company, Property and Company tax items.
- (b) No Member, other than the Tax Matters Partner, shall enter into settlement negotiations with the Internal Revenue Service or the United States Departments of the Treasury or Justice or with Michigan or other state or local tax authorities with respect to the Federal income tax treatment of Company items. The Tax Matters Partner shall be responsible for all such negotiations. Further, no Member other than the Tax Matters Partner shall file: (1) a request for an administrative adjustment of Company items under Code §6227(a); (2) a petition for readjustment of Company items under Code §6226(b) or (3) civil action for refund under Code §6228(b) (2) without first giving reasonable advance written notice of such intended action (including the proposed treatment of the Company item(s) and the proposed court, if applicable) to the Tax Matters Partner.

Section 6.6 <u>Withholdings</u>.

The Tax Matters Partner is authorized to cause the Company to withhold with respect to a Member's share of Company Profits or distributions any tax that the Tax Matters Partner determines is required to be withheld under applicable law, and the amounts so withheld shall reduce the amounts otherwise distributable to such Member under this Agreement. Neither the Tax Matters Partner, the Company, the Members nor any Member shall be liable to any such Member or assignee for the amount of any such tax withheld or for any loss occasioned by the withholding of such tax.

Section 6.7 Survival of Tax Obligations.

The provisions of this Article VI regarding tax matters shall survive the termination of the Company, any termination or amendment of this Agreement and/or the termination or transfer of any Member's interest in the Company and shall remain binding on any terminating or transferring Member for a period of time necessary to resolve with the Internal Revenue Service, the United States Department of Treasury or Justice, and/or any Michigan or other state or local tax authority any and all matters regarding the Federal, Michigan or other state or local income or other matters relative to the taxation of the Company and present or previous Members.

ARTICLE VII TRANSFERS OF MEMBERSHIP INTERESTS

Section 7.1 General Prohibition on Transfers.

Except as permitted by Section 7.3, a Member may not Transfer all or any part or portion of its Membership Interest. Any action contrary to the preceding sentence shall be null and void and ineffective for all purposes; provided, however, that any attempted action contrary to the preceding sentence shall be a material breach of this Agreement.

Section 7.2 <u>Substitution of Members</u>.

Regardless of compliance with Section 7.3 and permitting the Transfer of a Membership Interest, no Transfer of a Membership Interest shall be recognized by or be binding upon the Company unless:

- (a) such instruments as may be required by the Act or other applicable law or to affect the continuation of the Company and the Company's ownership of its properties are executed and delivered and/or filed;
- (b) the instrument of assignment binds the assignee to all of the terms and conditions of this Agreement, and all amendments thereto, as if the assignee were a signatory party hereto and any such assignment shall not release the assignor from any liability or obligation of the Membership Interest being Transferred;
- (c) the instrument of assignment is manually signed by the assignee and assignor and is otherwise acceptable in form and substance to the Members;
- (d) such assignment or alienation shall not be prohibited by, or cause a breach of, or cause events unacceptable to the Members, to occur pursuant to, any agreement or understanding by which the assignor or the assignee, or any properties of the Company or the Company itself is bound or affected;
- (e) such assignment or alienation shall not require registration under Section 5 of the Securities Act of 1933, as amended, shall not require that the Company register as an investment company or elect to be a "business development company" under the Investment Company Act of 1940, and shall not require that the Members or any of its members, officers or employees, or the Company or any other Member register as an investment adviser under the Investment Advisers Act of 1940;
- (f) such assignment or alienation shall not subject the Company, any of its members, officers or employees, or any other Member to the provisions of any law or regulation creating registration, reporting or payment obligations;
- (g) such assignment or alienation shall not cause the Company to be terminated under Section 708 of the Code, treated as a "publicly traded partnership" within the meaning of Section 469(k) or 7704 of the Code, or classified as an association taxable as a corporation for Federal or Michigan tax purposes; and

(h) the Assignee shall pay all expenses in connection with its admission as a Member in the Company.

An assignee of a Membership Interest pursuant to an assignment permitted under this Agreement may, subject to the provisions of this Article VII, be admitted as a member in the Company in the place and stead of the assignor Member in respect of the Membership Interest (and the related Ownership Percentages) acquired from the assignor Member and shall have all of the rights, powers, obligations, and liabilities, and be subject to all of the restrictions, of the assignor Member, including, without limitation, but without release of the assignor Member, the liability of the assignor Member for any existing unperformed obligations of the assignor Member. Each of the Members, on behalf of himself and his successors and assigns, hereby agrees, and consents to the admission of any such additional members as herein provided.

Section 7.3 Permitted Transfers.

- (a) The Membership Interest (and the related Ownership Percentages) of a Member may be Transferred (without any other Member's consent) to another Member or a wholly-owned subsidiary of such Member. In addition, a Member may transfer its right to receive distributions in respect of, and its allocable share of the Company's Profit and Loss attributable to, its Membership Interest (the "Economic Portion") to an Affiliate, a member of his Immediate Family or to a Family Trust; provided that, notwithstanding the provisions of Section 7.3 hereof, such transferee of an Economic Portion shall not be admitted as Member and the transferor shall retain all other rights, powers, obligations and liabilities pertaining to its Membership Interest and continue to be subject to all of the restrictions contained in this Agreement.
- (b) Any other Transfer of a Membership Interest not covered by this Section 7.3(a) shall require the vote of a Majority in Interest of the Members.

ARTICLE VIII DEATH, INSANITY, BANKRUPTCY, ETC.

Section 8.1 <u>Definitions</u>.

For purposes of this Article VIII:

(a) a "Disabling Event" means, with respect to any Person, such Person's (A) in the case of a natural Person, death, bankruptcy or the entry by a court of competent jurisdiction adjudicating him incompetent to manage his Person or his property, (B) in the case of a trust, the termination of the trust (but not merely the substitution of a new trustee), (C) in the case of a separate partnership, the dissolution and commencement of winding up of the separate partnership, or (D) in the case of a separate corporation, the filing of a certificate of dissolution, or its equivalent, for the separate corporation or the revocation of its charter and the expiration of ninety (90) days after the date of notice to the corporation of revocation without a reinstatement of its charter;

(b) With respect to a Person who is a Member and who has suffered a Disabling Event, a Successor shall be a Person who is that Person's successor(s) in interest, personal representative(s), heirs at law, legatee(s), or estate.

Section 8.2 <u>Disabling Event in Respect of a Member.</u>

- (a) Upon the occurrence of a Disabling Event, the Company shall not dissolve but shall be continued in accordance herewith.
- (b) The Successor to a Disabled Member shall have the rights of an assignee of the Economic Portion of the Disabled Member's Membership Interest but shall not be admitted to the Company as a Member in respect thereof except in accordance with Article VII hereof.
- Section 8.3 <u>Waiver of Dissolution if Transfer is in Full Compliance with Agreement: Negation of Right to Dissolve Except as Herein Provided; No Withdrawal.</u>
- (a) Each of the Members hereby waives his right to terminate or cause the dissolution and winding-up of the Company (if at any time any such right may be provided under the Act or other applicable law) upon the Transfer of any Member's Membership Interest.
- (b) No Member shall have the right to terminate this Agreement or dissolve the Company by such Member's express will.
- (c) No Member shall have any right to retire, resign, or otherwise withdraw from the Company and have the value of such Member's Membership Interest ascertained and receive an amount equal to the value of such Membership Interest except in accordance with the provisions of Article VII hereof.

ARTICLE IX LIQUIDATION AND TERMINATION OF THE COMPANY

Section 9.1 <u>Liquidation of the Assets of the Company and Disposition of the Proceeds</u> thereof.

- (a) If all or substantially all of the assets of the Company are sold in connection with a liquidation of the Company, or if the Company is otherwise liquidated or dissolved, the Members, shall proceed to wind up the affairs of the Company, liquidate the property and assets of the Company; and terminate the Company. The proceeds of a liquidation pursuant to this Section 9.1(a) shall be applied and distributed in the following order of priority:
 - (1) to the expenses of liquidation; and then;
- (2) to the payment of all taxes, debts, and liabilities of the Company, including any debts or liabilities owing to Members and/or their Affiliates; and then

- appropriate to provide for any contingent or unforeseen liabilities or obligations of the Company (which reserves may be held by a liquidating trust for the benefit of be Members for the purposes of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent or unforeseeable liabilities of the Company); provided, however, that after the expiration of a reasonable period, any excess reserves remaining shall be distributed in the manner hereinafter provided in this Section 9.1(a) and then
- (4) to the Members in accordance with and in proportion to their respective positive Capital Account balances. For this purpose, the determination of the Members' Capital Account balances shall be made after adjustment to reflect the allocation of all Profits, Losses, credits, and items thereof under Section 4.1 hereof and distributions made to the Members pursuant to Section 4.2 hereof, in each case through the fiscal year of liquidation of the Company. Subject to the provisions of Section 9.1(a) hereof, all distributions pursuant to this Section 9.1 shall be made by the end of the fiscal year of liquidation (or, if later, within ninety (90) days after the date of such liquidation).
- (b) A reasonable time shall be allowed for the orderly liquidation of the property and assets of the Company and the payment of the debts and liabilities of the Company in order to minimize the losses normally attendant upon a liquidation.
- (c) The Members hereby appoint the Members, as their true and lawful attorney-in-fact to hold, collect, and disburse, in accordance with this Agreement, the applicable requirements of Regulations Section 1.704-1(b), and the terms of any receivables, any Company receivables existing at the time of the termination of the Company and the proceeds of the collection of such receivables, including those arising from the sale of Company property and assets. Notwithstanding anything to the contrary contained herein, the foregoing power of attorney shall terminate upon the distribution of the proceeds of all such receivables in accordance with the provisions of this Agreement.
- (d) Notwithstanding anything to the contrary contained in this Section 9.1, if the Members determines that a complete liquidation of all of the property and assets of the Company would involve substantial losses or be impractical under the circumstances or for any other reason or for no given reason, the Members shall liquidate that portion of the assets of the Company sufficient to pay the expenses of liquidation and the debts and liabilities of the Company (excluding the debts and liabilities of the Company to the extent that they are adequately secured by mortgages on, or security interests in, assets of the Company or to the extent adequate provision is made for such debts and liabilities), and the remaining assets shall be distributed to the Members as tenants-in-common or partitioned in accordance with applicable statutes or apportioned in accordance with the distributions priorities set forth in Section 4.2 and the provisions of Section 9.1(a) hereof, or distributed in such other reasonable manner, as shall be determined by the Company. The distribution of such remaining assets to the Members shall be made subject to any mortgages or security interests encumbering such assets.

Section 9.2 Cancellation of Articles of Organization.

After the affairs of the Company have been wound up, the property and assets of the Company have been liquidated, and the proceeds thereof have been applied and distributed as provided in Section 9.1(a) hereof (and/or, if applicable, there has been a distribution of property and assets, as provided in Section 9.1(d) hereof), and the Company has been terminated, the Company shall execute and file Articles of Dissolution to effect the cancellation, of record, of the Articles of Organization of the Company.

Section 9.3 Return of Capital; Deficit Capital Account Balance.

Anything contained herein to the contrary notwithstanding, no Member shall be personally liable for the return of the capital contributions or Capital Accounts of the other Members, or any portion thereof, it being expressly understood that any such return shall be made from and to the extent of Company assets. In addition, except to the extent provided by the Act, no Member shall have any obligation to contribute or advance funds or other property to the Company by reason of any negative or deficit balance in such Member's Capital Account during or upon completion of winding up or at any other time.

ARTICLE X REPRESENTATIONS OF THE MEMBERS

Section 10.1 Representations of each Member.

Each Member hereby, severally, and not jointly, represents and warrants to the other Members and the Company that each of the following statements are true and accurate as of the date hereof and shall survive such date:

- (a) The Membership Interest is being acquired for the Member's own account for investment, with no intention of distributing or selling any portion thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), and will not be transferred by the Member in violation of the Securities Act or the then applicable rules or regulations thereunder. No one other than the Member has any interest in or any right to acquire the Membership Interest. The Member understands and acknowledges that the Company will have no obligation to recognize the ownership, beneficial or otherwise, of such Membership Interest by anyone but such Member, except as provided in this Agreement.
- (b) The Member's financial condition is such that it is able to bear the risk of holding the Membership Interest for an indefinite period of time and the risk of loss of its entire investment in the Company.
- (c) No representations or warranties have been made to the Member by the Company or the other Members, or any agent of either of them and the undersigned is relying solely on this Agreement in making its investment.

- (d) The Member has investigated the acquisition of the Membership Interest to the extent it deemed necessary or desirable and all available documents, information (including financial information) and agreements concerning the Company have been made available to the Member. The Member also has had the opportunity to ask questions and receive answers regarding the Company and to verify and clarify any and all information relating to the Company and this transaction.
- (e) The Member has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of acquisition of the Membership Interest and of making an informed investment decision with respect thereto.
- (f) The Member is aware that its rights to transfer the Membership Interest are restricted by the Securities Act, applicable state securities laws, this Agreement, and the absence of a market for the Membership Interests, and it will not offer for sale, sell, or otherwise transfer the Membership Interest without complying with the provisions of this Agreement.
- (g) The Member understands that the Membership Interest has not been registered under the Securities Act or any state securities act in reliance on an exemption for private offerings, the availability of which depends on the accuracy of the representations and warranties of the Member contained herein, and the Member acknowledges that it is purchasing an interest in the Company without being furnished any offering literature or prospectus.
- (h) The Member has full power and authority to make the representations referred to herein, and to purchase the Membership Interest pursuant to this Agreement, and to execute and deliver this Agreement.
- (i) The Member is an "accredited investor," as such term is defined in Rule 501 promulgated under the Securities Act of 1933, as amended.
- (j) The Member is not investing as a result of (i) any advertisement, article, notice, or other communication published in any newspaper, magazine, or other publication of general circulation, (ii) an advertisement on radio, television, e-mail, or other electronic communications media, or (iii) a program of general solicitation by means of mail or telephone.
- (k) Each Member acknowledges that it understands the meaning and legal consequences of the representations and warranties made by the undersigned herein, and that the Members is relying on such representations and warranties in making its determination to admit such Member as a member of the Company.

Section 10.2 <u>Indemnification</u>.

Each Member acknowledges that it understands the meaning and legal consequences of the representations and warranties made by the undersigned herein, and that the other Members are relying on such representations and warranties in making its determination to admit such Member as a member of the Company. Each Member hereby agrees to indemnify and hold harmless the Company, the other Members and each member, partner (general or limited), director, officer, or employee from and against any and all loss, damage, or liability due to or

arising out of a breach of any representation or warranty of the undersigned contained in this Agreement.

ARTICLE XI MISCELLANEOUS

Section 11.1 Exculpation.

Except in the case of acts or omissions which constitute willful misconduct or gross negligence, the doing of any act or the failure to do any act by any of the Members, the effect of which may cause or result in loss or damage to the Company, if done in good faith shall not subject such Member or other Members, to any personal liability.

Section 11.2 Notices.

- (a) Any and all notices, consents, offers, elections, and other communications required or permitted under this Agreement shall be deemed adequately given only if in writing.
- (b) All communications to be sent hereunder shall be given or served only if addressed to a Member at his address most recently provided to the Company in writing (which address shall be the address thereupon set forth in the Company's books and records), and if delivered by certified mail, return receipt requested, or Federal Express or similar expedited overnight commercial carrier. All such communications shall be deemed to have been properly given or served, if delivered in hand, when received, if mailed, on the date of receipt or of refusal to accept shown on the return receipt, and if delivered by Federal Express or similar expedited overnight commercial carrier, on the date that is one (1) day after the date upon which the same shall have been delivered to Federal Express or similar expedited overnight commercial carrier, addressed to the recipient, with all shipping charges prepaid, provided that the same is actually received (or refused) by the recipient in the ordinary course.
- (c) By giving to the Company and the Members written notice thereof, the parties hereto and their respective successors and assigns shall have the right from time to time and at any time during the term of this Agreement to change their respective addresses effective upon receipt by the Company and the Members of such notice.

Section 11.3 Applicable Law.

This Agreement shall be governed by and construed in accordance with the laws (other than the law governing choice of law) of the State of Michigan. In the event of a conflict between any provision of this Agreement and any non-mandatory provision of the Act, the provision of this Agreement shall control and take precedence.

Section 11.4 Entire Agreement.

This Agreement, together with the Exhibits hereto contains the entire agreement among the parties hereto relative to the Company.

Section 11.5 Word Meanings; Gender.

The words such as "herein" "hereinafter" "hereof" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The singular shall include the plural and the masculine gender shall include the feminine and neuter, and vice versa, unless the context otherwise requires.

Section 11.6 Interpretation.

This Agreement shall be construed as a whole in accordance with the fair meaning of its language and, regardless of who is responsible for its original drafting, shall not be construed for or against either party. Each Member played a role in the drafting of this Agreement or had the opportunity to do so. The captions of the various sections of this Agreement are included for convenience of reference only and shall in no way affect the construction or interpretation of this Agreement.

Section 11.7 Waiver.

No consent or waiver, express or implied, by a Member to or of any breach or default by any other Member in the performance by such other Member of his obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by the other Member of the same or any other obligation of such other Member hereunder. Any and all consents or waivers hereunder shall be effective only if in writing and signed by the party against whom enforcement of such consent or waiver is sought. Failure on the part of a Member to object to any act or failure to act of any other Member or to declare the other Member in default, irrespective of how long such failure continues, shall not constitute a waiver by a Member of his rights hereunder.

Section 11.8 Separability of Provisions.

Each provision of this Agreement shall be considered separable, and if for any reason any provision or provisions herein are determined to be invalid, unenforceable, or illegal under any existing or future law, such invalidity, unenforceability, or illegality shall not impair the operation of or effect those portions of this Agreement that are valid, enforceable, and legal.

Section 11.9 Binding Agreement.

Subject to the restrictions on Transfers set forth herein, this Agreement shall inure to the benefit of and be binding upon the undersigned Members and their respective permitted heirs, executors, personal representatives, successors, and assigns. Whenever, in this instrument, a reference to any party or Member is made, such reference shall be deemed to include a reference to the permitted successors and assigns of such party or Member.

Section 11.10 Equitable Remedies.

The rights and remedies of the Members hereunder shall not be mutually exclusive, i.e., the exercise of a right or remedy under any given provision hereof shall not preclude or impair

exercise of any other right or remedy hereunder. Each of the Members confirms that damages at law may not always be an adequate remedy for a breach or threatened breach of this Agreement and agrees that, in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction, or other equitable remedy, but nothing herein contained is intended to, nor shall it limit or affect any rights; at law or by statute or otherwise of any party aggrieved as against the other for a breach or threatened breach of any provision hereof.

Section 11.11 Amendment.

This Agreement may only be amended by the vote of a Majority in Interest of the Members.

Section 11.12 No Third-Party Rights Created Hereby.

The provisions of this Agreement are solely for the purposes of defining the interests of the Members and the Members, inter se; no other Person, firm, or entity (i.e., a party who is not a signatory hereto or a permitted successor to such signatory hereto) shall have any right, power, title, or interest by way of subrogation or otherwise, in and to the rights, powers, titles, and provisions of this Agreement.

Section 11.13 Additional Acts and Instruments.

Each Member hereby agrees to do such further acts and things and to execute any and all instruments necessary or desirable and as reasonably required in the future to carry out the full intent and purposes of this Agreement.

Section 11.14 Organization Expenses.

The Company shall elect, pursuant to Section 709(b) of the Code, to treat all amounts paid or incurred to organize the Company as deferred expenses to be deducted ratably over a period of sixty (60) months beginning with the month in which the Company began business.

Section 11.15 Agreement in Counterparts.

This Agreement may be executed in two (2) or more counterparts each of which as so executed shall constitute one (1) Agreement, binding on all of the parties hereto.

[The remainder of this page has been intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the undersigned ha	ve executed this Agreement as of the date
first above written in the capacities set forth below:	An O
	//.X
By:Brank	don Shaya
By:	rshwar T
	van Khami
Ву:	de khi
	Rofail

Exhibit A Schedule of Members

Member Name:	Ownership Percentages
Brandon Shaya	33.34%
Neshwan Khami	33.33%
Azal Rofail	33.33%
Total:	100%

EXHIBIT B

DEFINITIONS

For purposes hereof, the following terms shall have the meanings set forth below:

- (a) "Acquisition Documents" is defined in Section 2.4.
- (b) "Additional Capital Contributions" is defined in Section 3.3.
- (c) "Affiliate" means (i) with respect to any individual, any member of such individual's Immediate Family and/or a Family Trust with respect to such individual, and any organization in which such individual and/or his Affiliate(s) own, directly or indirectly, fifty-one percent (51%) or more of any class of voting equity security or of the aggregate beneficial interest of all beneficial owners, or in which such individual or his Affiliate is the sole general partner, the managing general partner, the sole member or the sole managing member or which is controlled by such individual and/or his Affiliates, directly or indirectly; and (ii) with respect to any Person (other than an individual), any Person (other than an individual) which Controls, is controlled by, or is under common control with, such Person, and any individual who is the sole general partner, the sole managing general partner, the sole member or the sole managing member of, or who directly or indirectly controls, such Person.
 - (d) "Agreement" is defined in the preamble hereto.
 - (e) "Authorized Signatory" is defined in Section 5.6.
- (f) "Available Cash" means the excess of the Company's cash and cash equivalents over the amount of cash needed by the Company, as reasonably determined by the Members, including, without limitation, to service its Indebtedness, to maintain adequate capital and reserves, including, without limitation for tenant improvements, Property maintenance, tax and insurance reserves, and the reasonably foreseeable needs of the Company.
 - (g) "Capital Account" is defined in Section 3.5.
- (h) "<u>Capital Contributions</u>" means the initial amount of cash contributed to the capital of the Company by a Member as an Initial Capital Contribution, reduced by any refunds of capital to such Member by the Company and increased by any additional contribution(s) of cash (if any) made to the capital of the Company in the sole discretion of such Member pursuant to Section 3.3. Any reference to the Capital Contribution of a Member shall include the Capital Contribution made by a predecessor-in-interest of such Member.
- (i) "Cause" means (a) fraud, or (b) willful and intentional misconduct or gross negligence in the performance of duties that has a demonstrable and material adverse impact on the Company.
- (j) "Code" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provision of succeeding law).

- (k) "Company" is defined in the Preamble hereto.
- (l) "Depreciation" means for each fiscal year of the Company or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable under the Code with respect to an asset for such year or other period, except that if the Book Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Book Value using any reasonable method selected by the Members.
 - (m) "<u>Disabled Person</u>" is defined in Section 8.1 Section 8.1(b).
 - (n) "<u>Disabling Event</u>" is defined in Section 8.1(a).
 - (o) "Economic Portion" is defined in Section 7.3(b).
 - (p) "Indebtedness" of any Person means indebtedness for borrowed money.
 - (q) "Initial Capital Contribution(s)" is defined in Section 3.1.
 - (r) "Losses" is defined in Section 4.1(a).
- (s) "Majority in Interest of the Members" means those Members holding Ownership Percentages in excess of fifty percent (50%).
 - (t) "Members" is defined in the preamble.
 - (u) "Member" and "Members" are defined in the preamble hereto.
 - (v) "Membership Interest" is defined in Section 3.6(a).
- (w) "Minimum Gain" means an amount determined in accordance with Regulations Section 1.704-2(d) by computing, with respect to each Nonrecourse Liability of the Company, the amount of gain, if any, that the Company would realize if it disposed of the property subject to such liability for no consideration other than full satisfaction thereof, and by then aggregating the amounts so computed.
 - (x) "Ownership Percentages" is defined in Section 3.6Section 3.6(b).
- (y) "Person" or "Persons" means an individual, a partnership (general and limited), limited liability company, corporation, a trust (inter vivos and testamentary), a Person's estate, or any other entity.
 - (z) "Property" is defined in Section 2.1.
 - (aa) "Profits" is defined in Section 4.1(a).

- (bb) "Regulations" means the temporary and final Income Tax Regulations promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).
 - (cc) "Revaluation Event" is defined in Section 3.5(b).
 - (dd) "Regulatory Allocations" is defined in Section 4.1(d)(4).
 - (ee) "Securities Act" is defined in Section 10.1(a).
 - (ff) "Successor" is defined in Section 8.1(b).
 - (gg) "Tax Matters Partner" is defined in Section 6.1.
- (hh) "Transfer" means any assignment, sale, transfer, conveyance, encumbrance, pledge, granting of an option or proxy, or other disposition or act of alienation, whether voluntary or involuntary, or entering into any agreement providing for any of the foregoing.

SHOPPING CENTER GROSS LEASE

- 1. PARTIES. This Lease, dated for reference purposes only, as of the ____ day of April, 2022, is made by and between Rochester-Wabash, LLC, a Michigan Limited Liability Company (hereinafter "Landlord") and SKR Golf LLC, d/b/a Tee Time, a Michigan Limited Liability Company (hereinafter "Tenant").
- 2. PREMISES. Landlord does hereby lease to Tenant and Tenant hereby leases from Landlord that certain space (herein called "Premises"), consisting of approximately 9000 usable square feet of floor area. The location and dimensions of said Premises shall be determined as the space identified as 2612, 2618 & 2622 combined as delineated on Attachment "A" attached hereto, which is hereby incorporated by reference and made a part hereof. Said Premises are located in the Hawthorne Center in the City of Rochester Hills, County of Oakland, and State of Michigan (the "Shopping Center").

The purpose of Attachment "B" "Site Plan/Leased Premises" attached hereto is to show the approximate location of the demised Premises. Landlord reserves the right at any time to relocate the various buildings, parking areas and other common areas as shown on such Attachment "B", pursuant to paragraph 2.A. below provided such changes do not materially interfere with the Tenant's use of the Premises or otherwise violate this Lease.

This Lease is subject to the terms, covenants and conditions herein set forth and each party covenants as a material part of the consideration for this Lease to keep and perform each and all of said terms, covenants and conditions by it to be kept and performed.

A. RIGHT OF RELOCATION. INTENTIONALLY OMITTED

- B. CONDITION OF SPACE. Except as provided for in this Lease, Tenant shall accept the Premises in an "As Is" condition. Landlord shall timely perform all work described in Attachment "C" (hereinafter the "Landlord's Work") which is hereby incorporated by reference and made a part hereof.
- 3. USE. Tenant shall use the Premises for indoor golf simulators, virtual golf games and competitions, golf lessons, memberships and social events, along with food and beverages including beer, wine and liquor licensed by the State of Michigan. Tenant shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord. Tenant reserves the right to change its trade name at any time without consent.
- 4. TERM. The initial Term of this Lease shall commence on the date of Landlord's delivery of the Premises and shall terminate on the last day of the 60th month following the Rent Commencement Date at defined below. Delivery of the Premises shall be defined as delivery of keys and full possession of the Premises with unrestricted access and with all Landlord's Work completed, except for punch list items. The anticipated delivery date is one hundred (120) days from the date of this Lease (the "Anticipated Delivery Date"). If the Premises are delivered after the Anticipated Delivery Date, then Tenant shall be entitled to, at the Landlord's option, either (i) one day of free rent for every day past the Anticipated Delivery Date or, (ii) two days of one-half



rent. Rent shall commence on the earlier of (iii) one hundred twenty (120) days from the Delivery Date plus any additional free rent days as provided herein or (iv) when Tenant opens for business plus any additional free rent days as provided herein (the "Rent Commencement Date"). The initial Term shall expire on the last day of the sixtieth (60th) full month following the Rent Commencement Date, unless sooner terminated as provided herein. The parties hereto acknowledge that certain obligations under various articles hereof may commence prior to the Rent Commencement Date, including the Tenant's obligations regarding utilities in Tenant's name, construction and remodeling and the insurance obligations provided for in this Lease and the parties agree to be bound by these articles prior to the Rent Commencement Date.

A. RENT. The Rent shall accrue and become payable in monthly installments, in advance without deduction or demand, on the first day of each full calendar month of the Term hereof, commencing on the Rent Commencement Date. In the event the Lease shall expire or the Rent Commencement Date is on a date other than the first or last day of a month, rent shall be prorated on a basis of the actual number of days Tenant occupies the Premises during that month based on a 365-day year.

Rent during the initial Term shall be as follows:

Months	Monthly Rent
1 - 30	\$15,000.00
31 - 60	\$17,250.00

Notwithstanding anything contained in this Lease to the contrary, concurrently with Tenant's execution of this Lease, Tenant shall pay to Landlord the sum of \$30,000.00 representing the gross monthly rent of the first 2 full months' rent, unless there are additional rent credits as provided herein, in which case the \$30,000.00 deposit shall be applied until exhausted.

- 5. **OPTION TO RENEW.** Tenant shall have three (3) options to renew for terms of five (5) years each (each a "Renewal Term"). Notwithstanding anything contained above to the contrary, these options to renew shall not be assignable without Landlord's consent, which consent shall not be unreasonably withheld. Provided Tenant is not in default under any of the terms or conditions hereof beyond any cure period at the time of exercising an option, Tenant shall exercise its option by notifying Landlord in writing of its intent to renew at least one hundred eighty (180) days prior to the expiration of the initial Term or a Renewal Term as the case may be. The terms and conditions of the Renewal Term(s) shall remain unchanged except that the base monthly rent for the first option period shall be \$18,750.00, the base monthly rent for the second option period shall be \$19,892.00.
- 6. SECURITY DEPOSIT. INTENTIONALLY OMITTED.
- 7. ADDITIONAL CHARGES/PROPERTY TAX INCREASES. In addition to the gross monthly rent provided herein, commencing with the Rental Commencement Date, Tenant shall pay to Landlord its proportionate share of the semi-annual property tax increases. The baseline property taxes for purposes of the paragraph shall be the 2022 tax year. Landlord shall provide Tenant with copies of the tax bills for 2022 upon receipt. Beginning in tax year 2023, Tenant shall pay its proportionate share of the increases to the property taxes within thirty (30) days of the

RF NSS Landlord's receipt and presentation of the current year tax bill for Summer or Winter taxes, as the case may be. Tenant's proportionate share of the above-mentioned items shall be equal to 16.18%. Notwithstanding anything contained herein to the contrary, if there is a sale of the Shopping Center resulting in a reassessment of the value of the Shopping Center, no taxes shall be owned by Tenant to Landlord in the year of the increase. Thereafter, a new baseline at the reassessed value of the Shopping Center shall be established for the balance of the Lease term(s) with Tenant paying its pro-rata share of increases over the new baseline.

- 8. USES PROHIBITED. Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the Premises which will in any way increase the existing rate of or affect any fire or other insurance upon the Shopping Center or any of its contents, or cause a cancellation of any insurance policy covering said Shopping Center or any part thereof or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Shopping Center or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises. Landlord acknowledges that the use of the Premises, as described in this Lease, does not violation this Section 8.
- be done in or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between the Landlord and Tenant.
- 10. ALTERATIONS AND ADDITIONS. Following Tenant's original buildout, Tenant shall not make or allow to be made any alterations, additions or improvements to or of the Premises or any part thereof in excess of \$25,000, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Any alterations, additions or improvements to or of said Premises, including, but not limited to, wall covering, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the realty and belong to the Landlord and shall be surrendered with the Premises. In the event Landlord consents to the making of any alterations, additions or improvements made to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. Upon the expiration or sooner termination of the Term hereof, Tenant shall, upon written demand by Landlord, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions, or improvements made by Tenant, designated by Landlord to be removed,



and Tenant shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal.

11. REPAIRS.

- By entry hereunder, Tenant shall be deemed to have accepted the Premises as being in A. good, sanitary order, condition and repair. Tenant shall, at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair (except as hereinafter provided with respect to Landlord's obligations) including without limitation, the maintenance, replacement and repair of any (i) storefront, doors, window casements, and glazing, (ii) interior plumbing, pipes, electrical wiring and conduits, and (iii) heating and air conditioning system (HVAC). Landlord represents that the HVAC is in good working order and warrants the HVAC servicing the Premises for the first full year of the Lease. Tenant shall obtain a service contract for repairs and maintenance of heating and air conditioning systems, said maintenance contract to conform to the requirements under the warranty, if any, on said systems or to generally accepted manufacturer's maintenance requirements as the case may be. In addition to the foregoing, Landlord, as part of Landlord's Work, is replacing 2 of the 4 current HVAC units servicing the Premises, each unit being 7.5 tons. Landlord shall transfer the warranty of these 2 new units to Tenant and Tenant shall solely be responsible for all repairs and replacements of said units. With respect to the remaining 2 existing units, Landlord shall be responsible for the heat exchangers and the compressors for the initial term of the Lease, provided Landlord's HVAC contractor is retained for repairs. Subsequent to the expiration of the initial term, Tenant shall solely be responsible for all repairs and replacements of said units. Tenant shall, upon the expiration or sooner termination of this Lease hereof, surrender the Premises to the Landlord in good condition, broom clean, ordinary wear and tear and damage from causes beyond the reasonable control of Tenant excepted. Any damage to adjacent premises caused by Tenant's use of the Premises shall be repaired at the sole cost and expense of Tenant.
- B. Notwithstanding the provisions of Article 11 A. hereinabove, Landlord shall repair and maintain the common areas of the Shopping Center, including the parking lots, as well as the structural portions of the Premises, including the exterior walls and roof, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of any duty by the Tenant, its agents, servants, employees, invitees. Landlord shall not be liable for any failure to make such repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Except as provided in Article 27 hereof, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Shopping Center or the Premises or in or to fixtures, appurtenances and equipment therein, unless such damages are due to the gross negligence of Landlord or its agents or due to willful neglect. Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect.
- 12. LIENS. Tenant shall keep the Premises and the property in which the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant.

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- **ASSIGNMENT AND SUBLETTING.** Tenant shall neither voluntarily nor by operation 13. of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease nor any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord. not to be unreasonably withheld or delayed. A consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease. Tenant shall have the right after notice to the Landlord to assign all of its right, title and interest in the Lease to any franchisor or to a franchisor approved affiliate or franchisee that will conduct a similar business without first obtaining Landlord's consent. However, as assignment shall be effective until such time as franchisor or other assignee gives Landlord written notice, at its option, of its acceptance of such assignment. In the event of an assignment and consent by Franchisor and assignee, the assignee will become liable on the Lease, and the Tenant shall remain liable under the Lease. In the event that Tenant requests Landlord's consent to a sublease or assignment hereunder, that is unrelated to a franchisor direct sublease or assignment Tenant shall pay Landlord a fee of Five Hundred and 00/100 (\$500.00) Dollars for reviewing and processing of documents necessary to give its consent to Tenant's request to sublease or assign this Lease.
- HOLD HARMLESS. Tenant shall indemnify and hold harmless Landlord against and 14. from any and all claims arising from Tenant's use, possession or occupancy of the Premises or from the conduct of its business or from any activity, work, or other things done, permitted or suffered by the Tenant in or about the Premises and each party-shall indemnify and hold harmless the other party against and from any and all claims arising from any breach or default in the performance of any obligation the other party to be performed under the terms of this Lease, or arising from any act or negligence of the, other party or any officer, agent, employee, guest, or invitee of, the other party and from all cost, attorney's fees, and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon and in case any action or proceeding be brought against the other party by reason of such claim, either party upon notice from the other shall defend in the same at the breaching party's expense by counsel reasonably satisfactory to, the non-breaching party. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises, from any cause other than Landlord's gross negligence; or Landlords failure to perform its duties beyond a cure period, and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents in the Premises. Neither Landlord nor its agents shall be liable for any loss or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas electricity, water or rain which may leak from any part of the building or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place resulting from dampness or any other cause whatsoever, unless caused by or due to the gross negligence of Landlord, its agents, servants or employees or Landlord's failure to perform its duties. Neither Landlord nor its agents shall be



liable for interference with the light, air or for any latent defect in the Premises except as expressly stated herein.

15. HAZARDOUS SUBSTANCES. See attached Rider.

- 16. SUBROGATION. As long as their respective insurers so permit, Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to their insurers to obtain said waivers. Each party shall obtain any special endorsements, if required by their insurer to evidence compliance with the aforementioned waiver.
- LIABILITY INSURANCE. Tenant shall, at Tenant's expense, obtain and keep in force 17. during the Term of this Lease a policy of comprehensive public liability insurance insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be in the amount of not less than One Million Dollars (\$1,000,000) for injury or death of one person in any one accident or occurrence and in the amount of not less than One Million Dollars (\$1,000,000) for injury or death of more than one person in any one accident or occurrence. Such insurance shall further insure Landlord and Tenant against liability for property damage of at least One Million Dollars (\$1,000,000). The limit of any such insurance shall not, however, limit the liability of the Tenant hereunder. Tenant may provide this insurance under a blanket policy, provided that said insurance shall have a Landlord's protective liability endorsement attached thereto. If Tenant shall fail to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain same, but at the expense of Tenant. Insurance required hereunder shall be in companies rated A:VII or better in "Best's Key Rating Guide". Tenant shall deliver to Landlord, copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Landlord. No policy shall be cancelable or subject to reduction of coverage. All such policies shall be written as primary policies not contributing with and not in excess of coverage, which Landlord may carry. Landlord shall maintain throughout the term of this Lease, and any extension terms, casualty insurance for the full replacement cost of the improvements located on the Property as well as general liability insurance for the common areas in an amount consistent with other similar shopping centers in the area where the Premises are located.
- 18. UTILITIES. Tenant shall pay for all water, gas, heat, light, power, sewer charges, telephone service and all other services and utilities supplied to the Premises, together with any taxes thereon. All utilities shall be separately metered.
- 19. PERSONAL PROPERTY TAXES. Tenant shall pay, or cause to be paid, before delinquency any and all taxes levied or assessed and which become payable during the Term hereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures and any other personal property located in the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

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- 20. RULES AND REGULATIONS. Tenant shall faithfully observe and comply with the rules and regulations set forth in this Section 20. Landlord shall have the right, from time to time promulgate and/or modify the rules and regulations with advance written notice, provided that the rules and regulations are commercially reasonable, not in conflict with the terms of this Lease, and do not interfere with Tenant's quiet enjoyment of the Premises. Changes to the rules and regulations consistent with the foregoing, shall be binding upon the Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any said rules and regulations by any other tenants or occupants. The current rules and regulations are:
- A. All loading and unloading of goods shall be done only at such times, in the areas, and through the entrances, designated for such purpose by Landlord.
- **B.** The delivery or shipping of merchandise, supplies and fixtures to and from the demised Premises shall be subject to such rules and regulations as in the judgment of Landlord are necessary for the proper operation of the demised Premises and the Shopping Center.
- C. All garbage and refuse shall be kept in approved containers and shall be placed outside of the Premises prepared for collection, which containers shall be provided by and maintained by the Landlord.
- D. No aerial, antenna or other similar devices shall be erected on the roof or exterior walls of the Premises, or on the grounds, without in each instance, the written consent of Landlord, which shall not be unreasonably withheld. Any devices so installed without such written consent shall be subject to removal without notice at any time at Tenant's sole expense without compensation from Landlord and Tenant shall further be responsible for restoration of the roof, walls or building. No exterior loud speakers, televisions, phonographs, radios or other devices shall be used in a manner so as to be heard or seen outside of the Premises without the written consent of Landlord.
- E. Tenant shall keep the Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
- F. The outside areas immediately adjoining the front and rear of the Premises shall be kept clean and free from snow, ice, dirt and rubbish by Tenant to the satisfaction of Landlord in exigent circumstances where Landlord maintenance services are unable to timely do so and Tenant shall not place nor permit any obstructions or merchandise in such areas.
- G. Tenant and Tenant's employees shall park their cars only in those portions of the rear parking area designated for that purpose by Landlord.
- H. The plumbing facilities shall not be used for any other purpose than that for which they are constructed, no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant.
- I. Tenant shall provide, at Tenant's cost, such pest extermination and at such intervals as may be required to maintain the Premises in a sanitary condition.

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- **J.** Tenant shall not burn any trash or garbage of any kind in or about the demised Premises or the Shopping Center.
- **K.** No roof-mounted signs shall be permitted.
- 21. HOLDING OVER. If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term hereof with the express consent of Landlord, such occupancy shall be a tenancy from month to month at a rental in the amount of one and a half (1 ½) times the amount of the last full month's Base Monthly Rent payable during the immediately preceding Term for the first such month's holdover, plus all other charges payable hereunder. Thereafter, Tenant shall be subject to all the terms hereof applicable to a month-to-month tenancy.
- ENTRY BY LANDLORD. Landlord reserves, and shall at any and all times have, the 22. right to enter the Premises to inspect the same subject to reasonable advance notice and reasonable frequency, to submit said Premises to prospective purchasers or tenants within 120 days of the end of the initial Term or an extension term, as the case may be, to repair the Premises and any portion of the Shopping Center of which the Premises are a part that Landlord may deem necessary or desirable, without abatement of rent, and may for that purpose erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, always providing that the entrance doorways and windows to the Premises shall not be unreasonably blocked thereby, and further providing that the business of the Tenant shall not be interfered with unreasonably. Subject to the Landlord's compliance with this Section 22, Tenant hereby waives any claim for damages or for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults, safes and files and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency, in order to obtain entry to the Premises without liability to Tenant except for any failure to exercise due care for Tenant's property and any entry to the Premises obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof.
- 23. TENANT'S DEFAULT. The occurrence of anyone or more of the following events shall constitute a default and breach of this Lease by Tenant.
- A. The vacating or abandonment of the Premises by Tenant without payment of rent or the commission of waste thereon, except in the case of remodeling or repairs.
- **B.** The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, within ten (10) days of the due date.
- C. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than described in Article 23.B, above, where such failure shall continue for a period of thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in

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default if Tenant commences such cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion.

- D. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.
- 24. **REMEDIES IN DEFAULT.** In the event of any such default or breach by Tenant, Landlord may at any time thereafter, in its sole discretion, with notice or demand, as may be required by law, and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:
- A. Re-enter and take possession of the Premises and terminate this Lease and Tenant's right to possession of the Premises by any lawful means, in which case Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises; reasonable expenses of reletting, including broker fees and the cost of removal of Tenant's fixtures and repair of damages; reasonable attorney's fees; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges and Adjustments called for herein for the balance of the Term after the time of such award exceeds the fair market rental rate of the Premises; and that portion of any leasing commission paid by Landlord and applicable to the unexpired Term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the maximum legal rate; or
- **B.** Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the Rent and any other charges and Adjustments as may become due hereunder; or
- C. Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Michigan.
- 25. **DEFAULT BY LANDLORD**. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a commercially reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have heretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes

P 12 1735 the same to completion. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default and Tenant's remedies shall be limited to damages and/or an injunction.

- 26. LIABILITY OF LANDLORD. If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and if as a consequence of such default Tenant shall recover a money judgment against Landlord, such judgement shall be satisfied only out of the proceeds of sale received upon execution of such judgement and levied thereon against the right, title and interest of Landlord in the Shopping Center and out of rents or other income from such property receivable by the Landlord or out of the consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the Shopping Center, and neither Landlord nor any of the members comprising the limited liability company which is the Landlord herein shall be liable for any deficiency.
- 27. DAMAGE OR DESTRUCTION BY CASUALTY. In the event the Premises are damaged as a result of any cause other than the perils covered by fire and extended coverage insurance, then Landlord shall forthwith repair the same, provided the extent of the destruction be less than ten (10%) percent of the then full replacement cost of the Premises. In the event the destruction of the Premises is to an extent of ten (10%) percent or more of the full replacement cost then Landlord shall have the option; (1) to repair or restore such damage, this Lease continuing in full force and effect, but the Rent to be proportionately reduced as hereinbelow in this Article provided; or (2) give notice to Tenant at any time within sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. In the event of giving such notice, this Lease shall expire and all interest of the Tenant in the Premises shall terminate on the date so specified in such notice and the Rent, reduced by a proportionate reduction, based upon the extent, if any, to which such damage interfered with the business carried on by the Tenant in the Premises, shall be paid up to date of said such termination.

If the Premises or the Shopping Center shall be damaged by fire or other casualty and if such damage does not render all or a substantial portion of the Premises or the Shopping Center untenantable, then Landlord shall proceed to repair and restore the same with reasonable promptness, subject to reasonable delays for insurance adjustments and delays caused by matters beyond Landlord's reasonable control. If any such damage renders all or a substantial portion of the Premises or the Shopping Center untenantable, Landlord shall, with reasonable promptness after the occurrence of such damage, estimate the length of time that will be required to substantially complete the repair and restoration of such damage and shall by written notice advise Tenant of such estimate. If it is so estimated that the amount of time required to substantially complete such repair and restoration will exceed one hundred eighty (180) days from the date such damage occurred, then either Landlord or Tenant shall have the right to terminate this Lease as of the date of such damage upon giving notice to the other at any time within twenty (20) days after Landlord gives Tenant the written notice containing said estimate (it being understood that Landlord may, if it elects to do so, also give such notice of termination together with the notice containing said estimate). Unless this Lease is terminated as provided in the preceding sentence.

Landlord shall proceed with reasonable promptness to repair and restore the Premises, subject to reasonable delays for insurance adjustments and delays caused by matters beyond Landlord's reasonable control, and also subject to zoning laws and building codes then in effect. Landlord

R12 1835 shall have no liability to Tenant, and Tenant shall not be entitled to terminate this Lease (except as hereinafter provided) if such repairs and restoration are not in fact completed within the time period estimated by Landlord, as aforesaid, or within said two hundred seventy (270) days. If the Premises are not repaired or restored within eighteen (18) months after the date of such fire or other casualty, then either party may terminate this Lease, effective as of the date of such fire or other casualty, by written notice to the other party not later than thirty (30) days after the expiration of said eighteen (18) month period, but prior to substantial completion of repair or restoration. Notwithstanding anything to the contrary herein set forth, (a) Landlord shall have no duty pursuant to this Article to repair or restore any portion of the alterations, additions or improvements owned or made by Tenant in the Premises or to expend for any repair or restoration amounts in excess of insurance proceeds paid to Landlord and available for repair or restoration; (b) Tenant shall not have the right to terminate this Lease pursuant to this Article if the damage or destruction was caused by the act or negligence of Tenant or its agents or employees, and (c) if any such damage rendering all or a substantial portion of the Premises or the Shopping Center untenantable shall occur during the last eighteen (18) months of the Term, Landlord shall have the option to terminate this Lease by giving written notice to Tenant within sixty (60) days after the date such damage occurred, and if such option is so exercised, this Lease shall terminate as of the date of such notice. Except as set forth in this Article, no destruction of or damage to the Premises, or any portion thereof, by fire, casualty or otherwise, shall permit Tenant to surrender this Lease or shall relieve Tenant from its liability to pay to Landlord the Rent payable under this Lease or from any of its other obligations thereunder. In the event of termination of this Lease pursuant to this Article, Rent shall be apportioned on a per diem basis and be paid to the date of the fire or other casualty. Notwithstanding anything contained in this Section 27 to the contrary, if damage to the Premises render the Premises fully or partially untenable, Tenant shall have the right to abate Rent until repairs are made, unless the damages were caused by Tenant, Tenant's agents and employees or Tenant's business invitees.

- 28. EMINENT DOMAIN. If more than twenty-five (25%) percent of the Premises shall be taken or appropriated by any public or quasi-public authority under the power of Eminent domain, either party hereto shall have the right, at its option, within sixty (60) days after said taking, to terminate this Lease upon thirty (30) days written notice. If either less than or more than twenty five (25%) percent of the Premises are taken (and neither party elects to terminate as herein provided), the Base Monthly Rent thereafter to be paid shall be equitably reduced. If any part of the Shopping Center other than the Premises may be so taken or appropriated, Landlord shall within sixty (60) days of said taking have the right at its option to terminate this Lease upon written notice to Tenant. In the event of any taking or appropriation whatsoever, Landlord shall be entitled to any and all awards and/or settlements which may be given and Tenant shall have no claim against Landlord for the value of any unexpired Term of this Lease.
- 29. PARKING AND COMMON AREAS. Landlord covenants that approximately the parking lot and common areas of the Property currently existing at the time this Lease is executed, shall be at all times, except as when Landlord makes necessary improvements or repairs thereto, available for the non-exclusive use of Tenant and the other tenants of the Shopping Center, and the customers, suppliers and other business invitees of Tenant and such other tenants, during the full Term of this Lease or any extension of the Term hereof, provided that the condemnation or other taking by any public authority, or sale in lieu of condemnation, of any or all of such common and parking areas shall not constitute a violation of this covenant. Landlord reserves the right to

change the entrances, exits, traffic lanes and the boundaries and locations of such parking area or areas, provided.

- A. The Landlord shall keep said automobile parking and common areas in a neat, clean and orderly condition and well lit, and shall repair any damage to the facilities thereof, but all expenses in connection with said automobile parking and common areas shall be charged and prorated in the manner as set forth in Article 7 hereof.
- **B.** Tenant, for the use and benefit of Tenant, its agents, employees, customers, licensees and sub-tenants, shall have the non-exclusive right in common with Landlord, and other present and future owners, tenants and their agents, employees, customers, licensees and sub-tenants, to use said common and parking areas during the entire Term of this Lease, or any extension thereof, for ingress and egress, and automobile parking.
- C. The Tenant, in the use of said common and parking areas, agrees to comply with such reasonable rules, regulations and charges for parking as the Landlord may adopt from time to time for the orderly and property operation of said common and parking areas. The Landlord shall not grant designated parking spaces to any tenant in the Shopping Center directly in front of Tenant's premises.

Such rules may include but shall not be limited to the following: (1) The restricting of employee parking to a limited, designated area or areas; and (2) the regulation of the removal, storage and disposal of Tenant's refuse and other rubbish at the sole cost and expense of Tenant.

- 30. SIGNS. The Tenant may affix and maintain upon the glass panes and supports of the show windows and within twelve (12) inches of any window and upon the exterior walls of the Premises only such signs, advertising placards, names, insignia, trademarks and descriptive material as shall have first received the written approval of the Landlord as to type, size, color, location, copy nature and display qualities; provided, however, the Landlord shall not object to the size of the signage on the exterior of the building if the sign is approved by the City of Rochester Hills. Anything to the contrary in this Lease notwithstanding, Tenant shall not affix any sign to the roof. Tenant shall, however, erect one sign on the front of the Premises. Tenant shall be entitled to place a sign, at its expense, on the combined top two spaces on the monument located in front of the Shopping Center not later than the date Tenant opens for business, in accordance with the design prepared by Tenant and approved in writing by Landlord, not to be unreasonably withheld. The monument sign space shall be delivered electrically and structurally sound and ready for installation of Tenant's panel. Landlord shall not disapprove of any signage that is allowed and approved by the City of Rochester Hills, same to be in compliance with all Rochester Hills sign ordinances.
- 31. DISPLAYS. The Tenant may not display or sell merchandise or allow grocery carts or other similar devises within the control of Tenant to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises, except special for promotions preapproved by Landlord Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Premises any advertising medium which may be heard or seen outside the Premises, such as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts.



- 32. AUCTIONS. Tenant shall not conduct or permit to be conducted any sale by auction in, upon or from the Premises whether said auction be voluntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceeding.
- 33. HOURS OF BUSINESS. Subject to the provisions of Article 27 hereof, Tenant shall continuously during the entire Term hereof conduct and carry on Tenant's business in the Premise and shall keep the Premises open for business and cause Tenant's business to be conducted therein during the usual business hours of each and every business day as is customary for businesses of like character in the city in which the Premises are located to be open for business; provided, however, that this provision shall not apply if the Premises should be closed and the business of Tenant temporarily discontinued therein on account of strikes, lockouts or similar causes beyond the reasonable control of Tenant. Tenant shall keep the Premises adequately stocked with merchandise and with sufficient sales personnel to care for the patronage, and to conduct said business in accordance with sound business practice.
- 34. MERCHANTS' ASSOCIATION. INTENTIONALLY OMITTED.
- 35. GENERAL PROVISIONS.
- A. Plats and Riders. Clauses, plats, riders and addendum, if any, affixed to this Lease are incorporated by reference and made a part hereof.
- **B.** Waiver. The waiver by Landlord of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained.

The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding default by Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding default at the time of the acceptance of such rent.

- C. Joint Obligation. If there be more than one tenant the obligations hereunder imposed shall be joint and several.
- **D.** Marginal Headings. The marginal headings and article titles to the articles of this Lease are not a part of the Lease and shall have no effect upon the construction or interpretation of any part hereof.
- E. Time. Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.
- F. Successors and Assigns. The covenants and conditions herein contained, apply to and bind the heirs, successors in interest executors, administrators and assigns of the parties hereto.
- G. Recordation. Neither Landlord nor Tenant shall record this Lease, but a short form memorandum hereof may be recorded at the request of Landlord.



- **H.** Quiet Possession. Upon Tenant paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term hereof, subject to all the provisions of this Lease.
- I. Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur cost not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or any sum due from Tenant shall not be received by Landlord or Landlord's designee within Five (5) days after said amount is past due, then Tenant shall pay to Landlord a late charge equal to five (5%) of such overdue amount, plus any attorneys' fees reasonably incurred by Landlord by reason of Tenant's failure to pay rent and/or other charges when due hereunder. The parties agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges by the Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.
- J. Prior Agreements. This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.
- K. Inability to Perform. This Lease and the obligations of the parties hereunder shall not be affected or impaired because the Landlord or Tenant, as the case may be, is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of the Landlord or Tenant, as the case may be.
- L. Partial Invalidity. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.
- M. Cumulative Remedies. No remedy or election of either party hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.
- N. Choice of Law. This Lease shall be governed by the laws of the State of Michigan.
- O. Attorneys' Fees. In the event of any action or proceeding brought by either party against the other under this Lease the prevailing party shall be entitled to recover for the fees of its attorneys in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable as attorneys' fees. Should it be necessary for either party to employ legal counsel to enforce any of the provisions herein contained, the breaching party agrees to pay

RF 1932 all of the non-breaching party's attorneys' fees and court costs so incurred. Further, if without fault, either party is made a party to any litigation instituted by or against the other party, the other party will indemnify the party made part of said litigation against all loss, liability, and expense, including reasonable attorneys' fees and court costs, incurred by it in connection with such litigation.

- P. Sale of Shopping Center by Landlord. In the event of any sale of the Shopping Center by Landlord, provided a purchaser assumes the obligations of Landlord under this Lease, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission occurring after the consummation of such sale; and the purchaser, at such sale or any subsequent sale of the Shopping Center shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of the Landlord under this Lease.
- Q. Subordination, Attornment. Upon request of the Landlord, Tenant will in writing subordinate its rights and leasehold interests hereunder to the lien of any mortgage or deed of trust, to any bank, insurance company or other lending institution, now or hereafter granted or in force against the Premises, and to all advances made or hereafter to be made upon the security thereof.

In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by the Landlord covering the Premises, the Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease The provisions of this Article to the contrary notwithstanding and so long as Tenant is not in default hereunder, this Lease shall remain in full force and effect for the full Term hereof.

R. Notices. All notices and demands which may or are to be required or permitted to be given by either party on the other hereunder shall be in writing. All notices and demands by the Landlord to the Tenant shall be sent by United States Mail, postage prepaid, addressed to the Tenant at the Premises, and to the address herein below, or to such other place as Tenant may from time to time designate in a notice to the Landlord. All notices and demands by the Tenant to the Landlord shall be sent by United States Mail, postage prepaid, addressed to the Landlord at the address set forth herein, and to such other person or place as the Landlord may from time to time designate in a notice to the Tenant.

To Landlord at: Rochester Wabash LLC,
PO Box 1207 Walled Lake, MI 48390-5207

To Tenant at: 1663 Stephenson Hwy, Suite 205, Troy, Michigan 48083.

S. Tenant's Statement. Tenant shall at any time and from time to time, upon not less than ten (10) days prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement, to the extent true, in writing (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as

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so modified is in full force and effect), and the date of which the rental and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of the Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth the date of commencement of rents and expiration of the Term hereof. Any such statement may be relied upon by the prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part.

- T. Authority of Tenant. If Tenant is a corporation, each individual executing this Lease on behalf of said corporation, has authority to execute this Lease in accordance with the bylaws of said corporation, and that this Lease is binding upon said corporation.
- U. Confidentiality. It is understood and agreed that the terms and conditions of this Lease shall remain confidential. Tenant, its principals, employees and representatives shall not discuss the Lease terms, Rent, rates or conditions with any third party unless authorized or requested to do so by Landlord. Any breach of such confidentiality requirement by Tenant or any of its principals, employees or representatives shall be deemed a material default hereunder.
- **36. LANGUAGE CONFLICT.** Whenever a conflict arises between the form portion of this Lease and the Rider to Lease, the terms of the Rider to Lease shall be considered superior.
- 37. RIDER; EXHIBITS. This Lease shall contain and consist of the terms and conditions herein contained, together with all exhibits attached hereto which are hereby incorporated by reference and made a part hereof, and the provisions contained in the Rider attached hereto are incorporated by reference and made a part hereof.
- 38. COMMISSIONS. Tenant shall defend, indemnify, and hold Landlord harmless from any liability for brokerage commissions, finders' fees or the like arising in connection with this lease which may be claimed by any party alleging to have been retained or utilized by Tenant, Landlord and Tenant agree there is no broker connection with this lease.
- TENANT'S EXCLUSIVE: So long as Tenant is not in default under the terms of the 39. Lease beyond any cure period and is operating the Premises in accordance with the terms of the Lease, Landlord covenants and agrees that from and after the date Tenant and Landlord have executed this Amendment and during the term of the Lease (including any properly exercised renewal term) Landlord shall not enter into any new lease permitting a tenant in the Shopping Center to operate golf simulators in such premises ("Exclusive Use"). Notwithstanding the foregoing, the restrictions set forth in this Section shall not be applicable: (a) with respect to any period during which Tenant: (i) is not operating its business in the Premises for reasons other than those listed in the Lease, or (ii) is not operating a golf simulation business as described herein_as Tenant's principal business in the Premises. If Tenant fails to operate a golf simulation business as Tenant's principal business in the Premises for a continuous period of 60 days or more, for reasons other than are set forth in the Lease, the restrictions of this Section shall no longer apply. If Landlord violates this provision and fails to correct such violation within sixty (60) days after notice thereof from Tenant, Tenant shall have the option to (a) pursue its legal remedies and seek specific performance of the Landlord obligations, including injunctive relief and damages, or (b) terminate the Lease by written notice of termination to Landlord, such termination notice to be delivered, if at all, within thirty (30) days after expiration of the sixty (60) day cure period.



Notwithstanding the above, Landlord shall not be in violation of its covenant hereunder if the Exclusive Use is undertaken by any current or future tenant who violates the use clause of said violator's lease with Landlord and Landlord takes reasonable steps to eliminate the violation.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed under seal as of the date first written above.

LANDLORD:

ROCHESTER WABASH, L.L.C. a Michigan Limited Liability Company

By:

Ralph Faranso Its: Member TENANT:

SKR Golf LLC

a Michigan Limited Liability Company

Brandon Shaya

Its: Member

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RIDER TO SHOPPING CENTER LEASE

BETWEEN

Rochester-Wabash, LLC, a Michigan Limited Liability Company

("Landlord")

AND

SKR Golf LLC, a Michigan Limited Liability Company

("Tenant")

- 1. THIS RIDER (the "Rider") shall constitute an integral part of the Lease referenced above (the "Lease"). The provisions of this Rider shall supersede and control any and all provisions within the Lease which are inconsistent with the provisions in this Rider. The Lease, the Rider and all exhibits thereto and hereto shall be construed as and constitute and form one instrument.
- 2. The leasehold granted by Landlord to Tenant under Paragraph 2 of the Lease is given and granted in consideration of the rents reserved and to be paid by Tenant and the performance by Tenant of its covenants as contained in the Lease and Rider.
- 3. All rentals reserved under and described in the Lease, shall be unconditionally payable as therein set forth and shall not be subject to any reduction, abatement, diminishment, set—off, recoupment or counterclaim, except for such abatement or reduction as is expressly permitted by the Lease, and only for the reasons and for so long as therein specified.
- 4. The sale, issuance, or transfer of any voting capital stock of Tenant which results in a change in the voting control of Tenant and/or the sale or transfer of any partnership interest of Tenant shall be deemed to be an assignment within the meaning of Article 13 of the Lease.

In the event Tenant shall sublet or license all or a portion of the Premises or assign this Lease, all of the sums or other economic consideration received or receivable by Tenant as a result of such subletting or assignment whether denominated rental or otherwise under the sublease or assignment, which exceed, in the aggregate, the total sums which Tenant is obligated to pay Landlord under this Lease (prorated to reflect obligations allocable to that portion of the Premises subject to such sublease) shall be payable to Landlord as additional rental under this Lease without affecting or reducing any other obligation of Tenant hereunder.

5. The following provisions shall supersede and replace Article 15 of the Lease:

Tenant agrees and covenants that it will not generate, transport, treat, store nor dispose, nor, in any manner, arrange for the disposal or treatment (within the meaning of the Resource Conservation and Recovery Act, 42 D.S.c. 6901, et seq. ["RCRA"], the Comprehensive Environmental Response, Compensation and Liability Act, 42 D.S.C. 9601, et seq. ["CERCLA"],

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or any applicable federal, state or local law, regulation, ordinance or requirement, as amended or hereafter amended (collectively hereinafter referred to as "Environmental Laws") of any hazardous substances as defined below, on or about the Premises. Violation of this provision shall constitute a material breach of this Lease.

"Hazardous Substances", for the purposes of this Lease, means hazardous substances or hazardous wastes, as those terms are defined by the Environmental Laws. "Hazardous Substances" shall also include, but not be limited to, petroleum, including, but not limited to, crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute) and any radioactive material, including, but not limited to, any source, special nuclear or byproduct material as defined at 42 D.S.C. 2011, et seq., as amended or hereafter amended and asbestos in any form or condition.

Tenant shall defend, indemnify and hold harmless Landlord, its affiliates, officers, directors, shareholders, employees, contractors, successors and assigns from and against any and all damage, claim, liability, loss, causes of action, penalties, fines, costs or expenses (including actual attorneys and consultants' fees) which arise from any environmental contamination, pollution or condition occurring during Tenant's occupancy. which was created or permitted by Tenant. This provision shall survive the expiration or other termination of this Lease.

The parties acknowledge that the Americans With Disabilities Act of 1990 (42 D.S.C. Section 12101 et seq.) and regulations and guidelines promulgated thereunder, as all of the same may be 'amended and supplemented from time to time (collectively referred to herein as the "ADA"), establish requirements under Title III of the ADA ("Title III") pertaining to business operations, accessibility and barrier removal, and that such requirements may be unclear and may or may not apply to the Premises or Shopping Center depending on, among other things: (1) whether Tenant's business operations are deemed a "place of public accommodation" or a "commercial facility"; (2) whether compliance with such requirements is "readily achievable" or "technically infeasible"; and (3) whether a given alteration affects a "primary functions area" or triggers so-called "path of travel" requirements. The parties acknowledge and agree that Tenant has been provided an opportunity to inspect the Premises and Shopping Center to a degree sufficient to determine whether or not the Premises or Shopping Center in their conditions as of the date hereof, deviate in any manner from the ADA Accessibility Guidelines (the "ADAAG") or any other requirements under the ADA pertaining the accessibility of the Premises or Shopping Center. Tenant further acknowledges and agrees that, except as may otherwise be specifically provided below, Tenant accepts the Premises and Shopping Center in "as-is" condition and agrees that Landlord makes no representation or warranty as to whether the Premises or Shopping Center conform to the requirements of the ADAAG or any other requirements under the ADA pertaining to the accessibility of the Premises or Shopping Center. Tenant has prepared or reviewed the plans and specifications for improvements contemplated by the Lease for construction in the Premises, if any, and have independently determined that such plans and specifications are in conformance with the ADAAG and any other requirements of the ADA. Tenant further acknowledges and agrees that to the extent that Landlord has prepared, reviewed or approved any of those plans and specifications, such action shall in no event be deemed any representation or warranty that the same comply with any requirements of the ADA. Tenant shall be responsible for the cost of all Title III compliance and costs in connection with the interior of the Premises, including structural work, if any, and including any leasehold improvements or other work to be performed in the



Premises under or in connection with this Lease and shall also be responsible for the cost of any so-called Title III "path of travel" requirements triggered by any construction activities or alterations in the Premises. Tenant shall be solely responsible for all other requirements under the ADA relating to Tenant or any affiliates or persons or entities related to Tenant, operations of any of them, or the Premises, including, without limitation, requirements under Title I of the ADA pertaining to Tenant's employees.

Should Landlord elect to re-enter, as provided in the Lease, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time, without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Premises, and relet the Premises or any portion thereof for such term or terms (which may be for a term extending beyond the Term of this Lease) and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such reletting, all rentals and other sums received by Landlord from such reletting shall be applied, first, to the payment of any indebtedness other than rent or other amounts or charges due hereunder from Tenant to Landlord pursuant to the Lease; second, to the payment of any costs and expenses of such reletting as provided for in the Lease; third, to the payment of rent and other charges due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. If such rentals and other sums received from such reletting during any month be less than that to be paid during that month by Tenant hereunder, Tenant shall pay such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of said Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a Court of competent jurisdiction.

In case suit shall be brought for recovery of possession of the Premises, for the recovery of rent or any other amounts or charges due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of Tenant to be kept and performed, and a breach shall be established, Tenant shall pay to Landlord all expenses incurred therefore, including reasonable attorneys' fees.

Mention in the Lease or this Rider of any particular remedy, shall not preclude either party from any other remedy, in law or in equity.

The parties hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, and/or any claim of injury or damage. In the event Landlord commences any proceedings for nonpayment of rent or any other amounts or charges payable hereunder, Tenant shall not interpose any counterclaim of whatever nature or description in any such proceeding unless the counterclaim is related to the defense of the action. This shall not, however, be construed as a waiver of Tenant's right to assert such claims in any separate action brought by Tenant.



- 8. Landlord reserves the right, from time to time, to utilize portions of the common areas for carnival type shows, rides and entertainment, outdoor shows, displays, automobile and other produce shows, the leasing of kiosks, or such other uses which in Landlord's judgment tend to attract the public. Further, Landlord reserves the right to utilize the lighting standards and other areas in the parking lot for advertising purposes. Provided, however, that notwithstanding the foregoing, no use of the common areas or parking lot for these purposes shall interfere with the access to the Premises or parking spaces adjacent to the Premises for customers of the Tenant.
- 9. In the event of any transfer or transfers of Landlord's interest in the Premises, provided that the transferee assume the obligations of this Lease in writing, the Landlord shall be relieved of any and all obligations on the part of Landlord accruing from and after the date of such transfer, including, but not limited to, any obligation to Tenant with respect to the security deposit upon assignment and transfer of same to the transferee, provided that (a) the interest of the transferor, as Landlord, in any funds then in the hands of Landlord in which Tenant has an interest shall be turned over, subject to such interest, to the then transferee; (b) notice of such sale, transfer or Lease shall be delivered to Tenant as required by law; and (c) the transferee has assumed the obligations of this Lease in writing. No holder of a mortgage to which this Lease is or may be subordinate shall be responsible in connection with the security deposited hereunder, unless such mortgage or holder of such deed of trust or lessor shall have actually received the security deposited hereunder.
- 10. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction and Landlord shall accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy in this Lease provided.
- 11. The submission of this Lease for examination does not constitute a reservation of or option for the Premises and this Lease shall become effective as a lease only upon execution and delivery thereof by Landlord and Tenant.
- 12. The Shopping Center in which the Premises are located is presently known as "Hawthorne Plaza Shopping Center". Landlord hereby reserves the right at any time and from time to time, without notice to Tenant, to change the name of said Shopping Center at Landlord's sole discretion.
- Tenant agrees to give any mortgagee(s) of the Shopping Center, by certified mail, return receipt requested, or any other service which has confirmation of delivery, a copy of any notice of default served upon the Landlord, provided that prior to such notice, Tenant has been notified, in writing (by way of notice of Assignment of Rents and Leases, or otherwise), of the address of such mortgagee(s). Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagee(s) shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days any mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default (including, but not limited to, commencement of foreclosure proceedings, if necessary, to effect such cure), in which event



this Lease shall not be unreasonably (cure must be timely) terminated while such remedies are being so diligently pursued.

- 14. All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, personal representatives, executors, administrators, successors, in interest, and assigns of the said parties; and if there shall be more than one person or party constituting, the Tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Landlord in writing as provided in the Lease and/or this Rider.
- 15. Tenant acknowledges that no representation, warranty or assurance has been given by Landlord or any agent of Landlord that any other party or parties or any specific party or parties will be tenants in the Shopping Center now or at any other time.
- 16. It is mutually agreed by and between Landlord and Tenant that the respective parties hereto shall, and they hereby do, waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord or Tenant, Tenant's use of or occupancy of the Premises or any claim of injury or damage and any emergency statutory or any other statutory remedy. If Landlord commences any summary proceeding for nonpayment of rent, Tenant will not interpose any counterclaim of whatever nature or description in any such proceeding. This shall not, however, be construed as a waiver of Tenant's right to assert such claims in any separate action brought by Tenant or other party.
- 17. All understandings and agreements, oral or written, heretofore made between the parties hereto are merged in this Lease, which alone fully and completely expresses the agreement between Landlord and Tenant and no modification, waiver or amendment of this Lease or of any of its conditions or provisions shall be binding upon that either party. unless in writing signed by that party.
- 18. Time is of the essence of this Lease and of all provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed under seal as of the date first written above.

ROCHESTER WABASH, L.L.C.	
a Michigan Limited Liability Compan	y

By: Rath For

Ralph Faranso

Its: Member

LANDLORD:

TENANT:

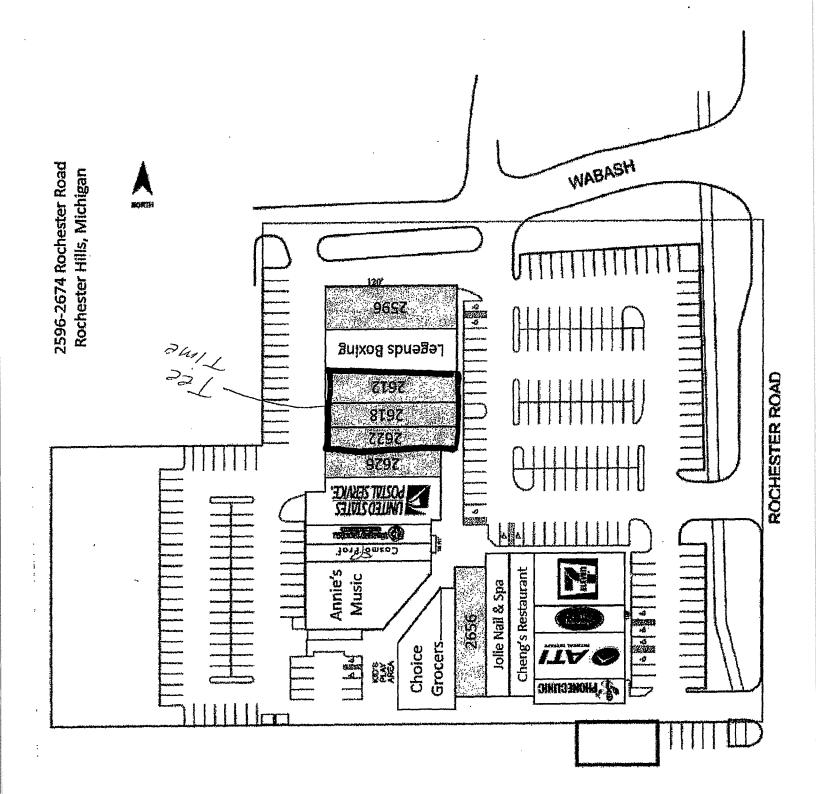
SKR Golf LLC

a Michigan Limited Liability Company

Brandon Shaya

Its: Member

ATTachment "B"



Landlords Work

- 1. Demolition: All interior partition walls, prior Tenant's furniture and fixtures, lights ceiling grid, wires, ties or improper supported conduits removed for a clean open ceiling. Except existing riser room shall remain as is where is.
- 2. Mezzanine: Tenant shall build, at its sole cost and expense, an enclosure around the stairs to the mezzanine with a Landlord only access door. The Landlord agrees that if the mezzanine is leased to a third party other than Tenant at any time during the Term or any Renewal Term, the Landlord, at its sole cost and expense, shall construct an exterior entrance, including relocation of electrical panels as needed, and remove and close off, at Tenant's option, the access door between the Premises and stairs to the mezzanine. The Landlord agrees that the exterior entrance shall be constructed first and the door on the interior of the Premises shall not be used at a construction entrance Any necessary work where the interior of the Premises needs to be accessed will be done during non-operating hours, when possible, to avoid disruption to the Tenant's business.
- 2. Ceiling: Open
- 3. HVAC Unit only- two new 71/2 ton or One 15-ton HVAC unit on roof installed to code and in good working order. HVAC gas, power wiring and duct smoke detectors for units above as required by local codes or authorities. 12-month full system warranty from HVAC Contractor. All duct work to be provided by Tenant at tenant sole cost and expense.
- 4. Electrical Service -Electric panel will be installed. The Premises will be separately metered.
- 5. Sprinkler service: Sprinkler system installed to code for and in good working order per tenant plan. If the approval of Tenant's plans are delayed such that the Landlord cannot reasonably complete its work before the Anticipated Delivery Date as defined in the Lease, the Tenant and Landlord shall work in good faith to allow Landlord to complete the sprinkler service after delivery simultaneous with Tenant commencing its work.
- 6. All utilities individually metered. All utility and plumbing lines brought to the Premises.

Kt.

7. Bathrooms: Existing bathrooms shall be removed and all plumbing capped.

<u>appetizers</u>

Spinach Dip
Taste of Mahoney's \$20.99 2 Ribs, 3 Mozzarella Sticks, 4 Wings (sauced or plain), Cheese Bread and Mucho Cheese Nachos (beef \$1, chicken \$1, or steak \$2)
Ragin' Cajun Steak Bites
Chicken Tenders
Beer Cheese and Pretzels\$11.99 Seasonal beer, smoked gouda, and cheddar cheese sauce, with Bavarian pretzel rods
Jalapeno Poppers\$8.99 Breaded, cheddar-filled, green jalapenos. Served with chipotle mayo
Falafel Tots
Potstickers
Hot Pepper Cheese Barnett Bites\$11.99 Pepper jack cheese balls breaded and deep fried. Served with ranch. Our Mayor's favoritel
Meatball Skillet\$11.99 Italian style meatballs, sauced with a roasted garlic marinara and topped with melted shredded mozzarella and parmesan cheese. Served with garlic bread
Cheesy Mozzarella Sticks
Cheese Quesadilla
N'awlins Gator Bites
Bang-Bang Shrimp Tacos\$11.99 2 grilled flour tortillas with shredded, crunchy red cabbage, battered fried shrimp, bangbang sauce, jalapenos, and green onions

NACLOS

Mucho Nacho		фтт.аа	
Corn tortilla chips fried and topped w jalapenos, salsa and sour cream	ith cheddar cheese	blend, lettuce, pico de gallo,	
Add beef or chicken\$2	Add steak\$4	Add guacamole\$2	
The Mile Wide Platter		\$19.99	
A party sized nacho supreme perfect for watching the big game or fight! This monster is layered with cheddar cheese blend, your choice of meat, and then topped with lettuce, pico de gallo, jalapenos and black olives. Served with salsa and sour cream			
Add beef or chicken\$3	Add steak\$4	Add guacamole\$2	

MINOS.

Small (8 wings)	\$11.99
Large (16 wings)	\$22.99
Change from traditional hone in or	

Choose from traditional bone-in or breaded boneless

SIGNATURE SAUCES

Mild Kamikazee (spicy asian)
Hot Smoky BBQ
Sweet & Spicy Thai Chili Bourbon Glazed
Parmesan Garlic Sweet Habanero
Teriyaki Memphis Dry Rub
Drip XXX Caribbean Jerk Rub or Sauce
Cajun Dry Rub Asian Ginger Glaze

SALADS

All dinner salads ar	e served	with a	bread	roll.
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Traverse City Cherry Salad\$13.99 House mix salad with grilled or fried chicken, dried cherries, walnuts, diced tomatoes, bleu cheese crumbles, and TC Cherry Vinaigrette on the side	
Cj's Cobb Salad\$13.99 House mix salad topped with cheddar cheese blend, ham, turkey, bacon, diced tomatoes, sliced egg, and your choice of dressing	
Mediterranean Salad	а
Oriental Salad	1
Greek Salad	
Caesar Salad	

Dressing

Ranch, Bleu Cheese, Italian, Sweet Onion, Caesar, Asian Vinaigrette, TC Cherry Vinaigrette, Lemon Vinaigrette, Oil & Vinegar

All entrees served with your choice of soup, salad or coleslaw.

· Not-Quite-Yet-Award-Winning Ribs
Full Slab......\$22.99 Half Slab......\$16.99
Low and slow for that perfect pull. Choice of dry Memphis rub, cajun rub, or smoky BBQ sauce.
Served with battered fries

Steak......\$16.99

Fajitas

Chicken.....\$14.99

CUICK6U914.99	D1697 dTO.22
Served on a bed of grilled onions and bell peppers, with gallo and spanish rice. Served with s	a cheddar cheese blend, lettuce, pico de sour cream and salsa
Guacamole\$1	1
Main Street Tortellini Tri-colored cheese tortellini, tossed in a creamy tomato parmesan cheese, and garlic toast	
Mediterranean Chicken Quinoa Bo Quinoa, Israeli salad, grilled chicken breast, Tahini sauce	
Surf & Turf Skillet Prime steak cuts, shrimp, grilled onions, mushrooms, and	
Fish & Chips Beer battered, cajun or lemon pepper baked, or Caribbe coleslaw, battered fries, and tartar sauce	
Chicken Piccata	
Salmon Dinner	\$17.99
Blackened or grilled to order, sauced with your choice o Served with rice and vegetables	f teriyaki, BBQ, or Asian ginger.

Cajun Chicken Penne Alfredo\$15.99

Chicken Dinner.....\$15.99

Two grilled chicken breasts, plain or with BBQ, teriyaki or buffalo sauce. Served with rice

Homemade alfredo sauce, and penne pasta, topped with grilled cajun chicken. Served with

garlic toast

and vegetables

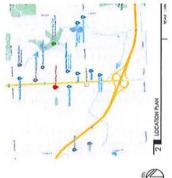
Cover

Contractor to field welly all dimensions before ordering materials, as starting work.

Tee Times



Howlhoine Plozo, 2618/ 2612 s. Rochester Rochester Hils Mi 48307









Golf Simulator Fitout











