## CITY CENTER BUILDING OFFICE LEASE

THIS LEASE made this 29th day of July, 2013 between DAHLMANN APARTMENTS LTD., a Michigan corporation, 300 South Thayer Street, Ann Arbor, Michigan 48104, hereinafter referred to as Landlord, and WASHTENAW COUNTY, a Michigan municipal corporation, P. O. Box 8645, Ann Arbor, Michigan 48104, hereinafter referred to as Tenant.

WITNESSETH: The Landlord, for and in consideration of the rentals hereinafter set forth, to be paid by the Tenant, and other valuable considerations, Landlord and Tenant do hereby covenant and agree as follows:

1. <u>Leased Premises</u>. Landlord hereby leases to Tenant and Tenant hereby rents from Landlord, the following described premises (herein called "Leased Premises") situated at the City Center Building, 220 East Huron Street, Ann Arbor, Michigan 48104 (the "Building"):

A total of 16,050 rentable square feet described as 8,548 rentable square feet located on the second floor of the Building (the "Second Floor Premises) and 7,502 rentable square feet located on the fifth floor of the Building (the "Fifth Floor Premises") as described on Exhibit A attached hereto. The parties hereby stipulate and agree to the rentable square feet measurements set forth above and on Exhibit A.

2. <u>Term; Possession</u>. The term of this lease shall be for a period of one hundred and thirteen months (113) months commencing on September 1, 2013 (the "Commencement Date") and ending on January 31, 2023 (the "Lease Expiration Date").

Tenant shall have immediate possession of the Fifth Floor Premises upon execution of this Lease and payment of the security deposit. Thereafter, Landlord shall use its best efforts to deliver possession of the Second Floor Premises as of September 1, 2013 but not later than September 30, 2013. Tenant's possession of the Leased Premises until the Commencement Date shall be rentfree for the purpose of installing Tenant Improvements and furnishings, fixtures and equipment.

In the event that Landlord fails to deliver possession of the Second Floor Premises on or before October 15, 2013, then Tenant, at Tenant's option, may terminate the lease as to the Second Floor Premises only. In the event of such termination, the lease shall continue as to the Fifth Floor Premises only and Tenant shall be obligated to pay 46.7% of the rent, being the ratio of the 7,502 square foot area of the Fifth Floor Premises to the total 16,050 rentable square feet.

3. <u>Rent</u>. Tenant shall pay to Landlord as rent for the leased premises the following sums, without prior demand therefor and without any deduction or set-off whatsoever the amount of Three Hundred Thirty Three Thousand Thirty Seven Dollars and 56/100 (\$333,037.56), which is Twenty Seven Thousand Seven Hundred Fifty Three Dollars and 13/100 (\$27,753.13) per month, during the First Lease Year, which is a rental rate per square foot of \$20.75 Thereafter, the annual rental rate for each Lease Year including any renewal terms shall increase by an amount equal to three (3%) percent.

All rental installments shall be due and payable on the first day of the month in advance. The term "Lease Year" shall mean each consecutive twelve-month period beginning with the Commencement Date. Accordingly, each annual rental escalation shall be effective on September 1. Notwithstanding the foregoing, each Lease Year for any of the three Renewal Terms contemplated herein shall commence on February 1, which shall also be the date of the annual escalation.

The first three (3) monthly installments of rent for the First Lease Year, each in the amount of \$27,753.13 and otherwise due on September 1, 2013, on October 1, 2013 and on November 1, 2013 respectively, are waived and abated. Regular monthly installments shall commence on December 1, 2013.

In the event that Tenant does not exercise its Right of Early Termination as described in Section 5 below, then the two (2) monthly rental installments otherwise due on September 1, 2017 and on October 1, 2017, each in the amount of \$31,236.39 shall be abated and waived.

In the event possession of the second and fifth floors cannot be delivered on the same date, the following shall apply:

Rent Prorated. The total rent assigned to each floor shall be as follows:

Floor	<u>Square</u>	<u>% of total square</u>	<u>% of total</u>
	footage	footage	<u>rent</u>
Second	8,548	53%	\$14,709.16
Fifth	7,502	47%	\$13,043.97

With regard to the fifth floor, the first three monthly installments of rent for the First Lease Year, each in the amount of \$13,043.97 and otherwise due on September 1, 2013, on October 1, 2013 and on November 1, 2013 respectively, are waived and abated. Regular monthly installments shall commence on December 1, 2013.

With regard to the second floor, the first three monthly installments of rent for the First Lease Year, each in the amount of \$14,709.16 and otherwise due on first day of the first, second and third months following the date when possession is delivered are waived and abated. Regular monthly installments shall commence on fourth month after possession is delivered.

If the possession dates upon which each floor is delivered are not the same, the full rental rate of \$27,753.13 shall only be due when both spaces have been delivered and all rent abatements have been credited.

4. Option to Renew. (a) Options to Extend. a) Provided, that Tenant shall not be in default of any of the terms or provisions of this Lease after the expiration of any applicable notice and cure period provided herein, Tenant shall have the right to extend the Term of this Lease for three (3) additional consecutive periods of three (3) years each (each, a "Renewal Term" and collectively, the "Renewal Terms"), subject to and upon all of the terms and conditions provided in this Lease. All terms, covenants and conditions of this Lease shall apply during each such Renewal Term; provided. however, that the rent to be paid by Tenant to Landlord during each of the Renewal Terms shall be as described in Section 4(b) below. As currently provided in this Lease, all monthly installments of Rent during a Renewal Term shall be paid on or before the first (1st) day of each month in advance. If Tenant elects to exercise one or more of the options to extend the Term of this Lease. Tenant shall deliver written notice to Landlord, notifying Landlord of Tenant's election to exercise the same, at least six (6) months prior to the expiration of the initial Term of this Lease or the first or second Renewal Term, as the case may be. Time is of the essence of for the giving of such notice and if any notice is not received by Landlord six (6) months prior to the expiration of each such renewal term, such option shall be null and void. Such written notice shall be delivered by certified mail or by guaranteed overnight delivery (e,g, Federal Express) to Landlord's office designated in Section 30 or at such other address or location as Landlord may from time to time designate in writing. Tenant may only exercise the options consecutively. The right granted to Tenant under this Section to so extend the

Term is personal to the original named Tenant of the Lease and shall not be assigned or transferred to or exercised by any other person or entity.

5. <u>Early Termination Option.</u> Provided that Tenant shall not be in default of any of the terms or provisions of this Lease after the expiration of any applicable notice and cure period provided herein, Tenant shall have the option to terminate the Lease as to all of its rental space or as to one floor only, effective as of the Early Termination Date. The term "Early Termination Date" shall mean August 31, 2018 and not prior thereto or thereafter. Such option shall be exercised by written notice to Landlord to such effect delivered not later than twelve (12) months prior to the Early Termination Date. In the event such notice is not timely delivered, this option shall be null and void. Such written notice shall be delivered by certified mail or by guaranteed overnight delivery (e,g, Federal Express) to Landlord's office designate in writing. The following shall be conditions precedent to the effectiveness of Tenant's exercise of this option to exercise its Early Termination Option and such option shall be null and void in the event Tenant fails to timely make such deliveries and payments:

(i) Prior to the Early Termination Date, Tenant shall reimburse to Landlord the amount of \$358,596.32, being the agreed-upon fee for the said Right of Early Termination, as set forth in Schedule A attached hereto. In the event that Tenant terminates the lease as to the Second Floor Premises and continues the lease as to the Fifth Floor Premises, then the fee in reimbursement shall be prorated as set forth in Schedule A, item 2, and shall be in the amount of \$167,613.06. In the event that Tenant terminates the lease as to the Fifth Floor Premises and continues the lease as to the Second Floor Premises, then the fee in reimbursement shall be prorated as set forth in Schedule A, item 2, and shall be in the amount of \$167,613.06. In the event that Tenant terminates the lease as to the Fifth Floor Premises and continues the lease as to the Second Floor Premises, then the fee in reimbursement shall be prorated as set forth in Schedule A, item 3, and shall be in the amount of \$190,983.26.

(ii) Tenant, as of the Early Termination Date, shall have vacated the Lease Premises and shall have left same in broom-clean condition.

Time is of the essence of this clause. Such notice, subject to the conditions precedent above, shall serve to terminate the Lease effective as of the Early Termination Date.

In the event that Tenant exercises its Early Termination Option so as to terminate the lease as to the second floor only while retaining the fifth floor, Tenant shall pay rent for the fifth floor at the then-current annual per square foot rental rate multiplied by 7,502 square feet,. during the sixth Lease Year and each remaining Lease Year, subject to an annual three percent (3%) escalation. The per square foot rental rate for the Sixth Lease Year is \$24.05.

In the event that Tenant exercises its Early Termination Option so as to terminate the lease as to the fifth floor only while retaining the second floor, Tenant shall pay rent for the second floor at the then-current annual per square foot rental rate multiplied by 8,548 square feet,. during the sixth Lease Year and each remaining Lease Year, subject to an annual three percent (3%) escalation. The per square foot rental rate for the Sixth Lease Year is \$24.05.

6. <u>Right of First Refusal</u>. During the original or extended term hereof, Landlord shall promptly notify Tenant in writing if any third party (including other tenants of the Building but subject to the existing right of first refusal held by tenant Mathematica over all third and fourth floor space and further subject to the existing right of first refusal held by tenant Novodynamics over space in the Building located on the fifth or sixth floors of the Building and containing one thousand (1,000) square feet or more of rentable space) expresses an interest in renting any space in the

Building located on the second or fifth floors of the Building and containing one thousand (1,000) square feet or more of rentable space ("Option Space").

(b) In the event of a bona fide third-party offer acceptable to Landlord, at any time or times during the original or extended term hereof, for the lease of any of the Option Space, the Landlord, prior to acceptance thereof, shall give the Tenant, with respect to each such offer, written notice thereof and a copy of said offer and Tenant shall have the option and right of first refusal for ten (10) business days on the same terms and conditions as set forth in the option delivered to Tenant (except that the term for such Option Space shall not be less than three (3) years). Tenant's failure to exercise this option with regard to the specific Option Space offered shall not prejudice Tenant's rights to exercise this option for other Option Space that may become available or for the specific Option Space if it becomes available again during the original or extended term hereof. Moreover, if the bona fide third-party offer acceptable to Landlord changes after notice to Tenant thereof, Tenant shall be provided with a copy of the amended offer for review and acceptance pursuant to the terms of this subsection.

7. <u>Tenant Improvements and Allowance</u>, Following and subject to the substantial completion of permanent improvements to the Leased Premises by Tenant, Landlord shall make available to Tenant a tenant improvement allowance of up to \$481,500.00 (the "TI Allowance") for the hard costs for improvements in the Leased Premises desired by and performed by Tenant and which improvements shall be of a fixed and permanent nature (the "Tenant Improvements"). The term "hard costs" shall mean the actual third party out of pocket costs and expenses for construction and demolition which Tenant incurs for the Tenant Improvements including third-party architectural fees paid by Tenant and properly documented tradepersons employed by Tenant, but which shall in no event include any other fees including in-house charges or fees

Tenant acknowledges that (i) the Tenant Improvements shall be constructed pursuant to space plans mutually agreed upon by Landlord and Tenant pursuant to this paragraph, and (ii) upon the expiration of the Term of the Lease, the Tenant Improvements shall become the property of Landlord and Tenant shall not be obligated to remove, and may not remove, the Tenant Improvements at any time during the lease term including upon the expiration or earlier termination of the Lease. Tenant shall deliver to Landlord space plans detailing Tenant's requirements for the Tenant Improvements following the preparation of the same by Tenant's architect. Not more than ten (10) days thereafter, Landlord shall deliver to Tenant either written consent to the space plans, which consent of the space plans shall not be unreasonably withheld, conditioned or delayed, or the written objections, questions or comments of Landlord with regard to the space plans. The parties shall promptly meet and confer and negotiate in good faith to reach agreement on any disputed matters. Tenant shall cause the space plans to be revised to address any reasonable Landlordrequested changes and shall resubmit said space plans to Landlord for approval within five (5) business days thereafter. Such process shall continue until Landlord has reasonably approved the space plans. The foregoing process also shall apply to Tenant's preparation of final plans and specifications which describe the Tenant Improvements and are based on the approved space plans, and Landlord's approval of the final plans and specifications shall not be unreasonably withheld, conditioned or delayed. Notwithstanding anything to the contrary contained herein, Tenant shall not have the right to use the TI Allowance to purchase and install within the Premises furnishings, cubicles and other personal property and non-Building system materials and equipment, including, but not limited to, Tenant's voice or data lines or cabling. Except for the TI Allowance, Tenant shall be solely responsible for all of the costs of the Tenant Improvements. The Tenant Improvements shall be treated in accordance with Section 16 of the Lease. Prior to the commencement of construction of the Tenant Improvements, Tenant shall deliver to Landlord a

copy of any contract with Tenant's contractors (including the architect), and certificates of insurance from any contractor performing any part of the Tenant Improvements evidencing industry standard commercial general liability, automotive liability, "builder's risk", and workers' compensation insurance. Tenant shall cause the general contractor to provide a certificate of insurance naming Tenant, Landlord, and Landlord's lender (if any) as additional insureds for the general contractor's liability insurance. Coverage will be provided in an amount not less than \$300,000 per occurrence and \$1,000,000 aggregate.

The amount of Landlord's contribution shall be used to reimburse Tenant dollar for dollar for Tenant's actual out-of-pocket expenditures for the hard cost of Tenant Improvements, to the extent of Tenant's actual expenditures and up to the maximum amount of \$481,500.00. Upon the substantial completion of the Tenant Improvements, as certified by Tenant's architect, Tenant shall submit to Landlord its request for payment, contractors' sworn statements, final lien waivers, copies of municipal inspection reports and approvals, and such other evidence as Landlord may reasonably request, to evidence that the Tenant Improvements have been completed and that the costs set forth in the request for payment relate solely to the hard cost of such tenant improvements. Landlord shall then issue its reimbursement payment to Tenant within thirty (30) days after Landlord's receipt and approval of the documentation supplied by Tenant, which approval shall not be unreasonably withheld.

Notwithstanding the foregoing or anything contained in this Lease to the contrary, once Tenant has received the required amount of the Tenant Improvement Allowance for the payment of the hard costs of the Tenant Improvements that have been constructed by Tenant within the Leased Premises as provided above, Tenant shall not be entitled to receive any additional funds from Landlord to complete the construction of any remaining Tenant Improvements or any other improvements within the Leased Premises, all of which shall be paid in full by Tenant at Tenant's sole cost and expense thereafter. Landlord shall not be responsible for Tenant's progress toward completion of the Tenant Improvements and any delay in completion or other reason pertaining to the construction of said Tenant Improvements shall not affect or delay the payment of rent hereunder.

8. <u>Security Deposit; Late Charge</u> Concurrently upon the execution hereof, Tenant shall deposit with Landlord the sum of \$28,000.00 as security for the faithful performance of all the terms and conditions of this lease, including, but not limited to, the prompt payment of all sums due under this lease, and to indemnify Landlord to the extent permitted by law for any loss, costs, fees or necessary expenses which Landlord may incur as a direct and proximate result of any breach of this lease by Tenant. Landlord shall have the right to apply any or all of such security deposit, from time to time, in order to cure any default in the performance of Tenant's obligations under this lease. In the event that Landlord applies any or all of such security deposit to cure any such default prior to the expiration or earlier termination of this lease, Tenant shall promptly replace the amount so applied so that at all times hereunder the security deposit will be maintained at the sum above stated. The amount of such replacement of the security deposit shall be immediately payable as additional rent hereunder. Landlord shall return any remaining portion of such security deposit to Tenant, without interest, within 30 days after the expiration or earlier termination of this lease.

9. <u>Utilities and Services</u>. Landlord shall furnish the Leased Premises with water, heat, air conditioning, electricity (except server room electrical usage, which shall be paid by Tenant), and sewerage, so long as Tenant is not in default under the terms of the Lease. Such utilities shall be provided during ordinary business hours and during such other times and in a manner customarily provided in similar office buildings in the area. If such utilities are furnished to or consumed by Tenant during other hours, the Landlord may impose a reasonable uniform charge therefor.

Landlord shall not be liable or responsible for any interruption in such utilities or other services caused by riots, strike, labor disputes or accidents or other cause beyond the immediate control of the Landlord, or for stoppages or interruptions of such services for the purpose of making necessary repairs or improvements. Failure, interruption or delay in furnishing water, heat, air conditioning, electricity, and sewerage shall not be construed as an actual or constructive eviction or partial eviction against the Tenant by the Landlord nor shall such failure, interruption or delay in any way operate as a release from the prompt and punctual performance by the Tenant of the covenants contained herein. Tenant shall use only such fixtures and lamps as may be approved by the Landlord.

Electrical usage for server room cooling and equipment wherever located will be submetered and billed to Tenant quarterly. Tenant will be responsible for any supplemental cooling equipment for server rooms.

Unless specifically described in this section or elsewhere in this Lease, Landlord shall not be responsible for providing any other or additional services to Tenant and any other or additional services shall be obtained and paid for by Tenant.

10. <u>Operating Expenses</u>. Landlord will be responsible, at its sole cost and expense, for the payment of real property taxes and hazard and liability insurance on the Building... Tenant shall be responsible for personal property taxes, if any, and shall carry contents insurance for all Tenant's equipment and personal property situated within the Leased Premises.

11. <u>Parking.</u> Landlord can at this time provide Tenant up to (15) parking spaces at a parking lot situated within two blocks of the City Center Building. The monthly rate for these spaces is currently \$140 per month each. Landlord does not warrant that such parking will always be available. Additional reserved spaces can be rented at local city managed parking structures at the market rental rate. Landlord will assist tenant in securing these spaces subject to availability.

12. Exterior Signage Tenant shall not affix any sign of any size or character, any displays or other advertising matter to any exterior portion of the Leased Premises, without the prior written approval of Landlord, whose consent shall not be unreasonably withheld or delayed, and then only in accordance and compliance with all local, state and federal laws, statutes, ordinances, regulations and requirements now or which may hereafter be in force (collectively, the "Laws"), and any easement, restriction, covenant, declaration or maintenance agreement to which the Leased Premises is currently subject or becomes subject pursuant to the terms of this Lease. Notwithstanding the foregoing, subject to the Laws and to Landlord's approval of design, Tenant, at Tenant's expense, may install exterior signage on the Building. Any exterior signage shall be subject to design approval by Landlord, which consent shall not be unreasonably withheld. Exterior signage shall be located below the Building second floor in the same row as the currently existing sign "City Center Building", and shall be approved by the appropriate department of the City of Ann Arbor. Tenant may place one signage panel on the north side and another panel on the east side, with each panel to be entitled "Washtenaw County Government". Landlord shall provide and maintain suite door signage and 1<sup>st</sup> floor tenant directory signage.

13. <u>Tenant Access to Building</u>. During the term of the Lease, Landlord shall provide entry access to the Leased Premises twenty-four hours per day, seven days per week by keycard to the exterior door and the elevators. Tenants have proximity cards to access their floor after hours and on week-ends. The Building is unlocked weekday mornings at 7:00 AM and locked at approximately 6 PM. Floor access via the elevator can be determined by Tenant. Landlord will provide an access card to each of Tenant's employees, at no cost or expense. Landlord will also provide Tenant with loading dock access 7 am to 5 pm weekdays with other times to be subject to landlord approval,

which approval shall not be unreasonably withheld. Tenant shall provide Landlord with 24-hour advance notice of furniture and equipment deliveries so that Landlord may put up elevator wall padding.

## 14. Repairs.

(a) Landlord shall make all necessary repairs and replacements to the Building and to the Common Areas and to the heating, plumbing, mechanical, elevator air conditioning, electrical and other systems and Landlord shall make all repairs to the Leased Premises which are structural in nature. Tenant shall perform all maintenance within the Leased Premises and shall maintain the entire Leased Premises in good repairs, and Tenant shall upon the expiration of the Lease, yield and deliver up the Leased Premises in like condition as when taken, reasonable use and wear and casualty thereof excepted.

(b) In the event that the Landlord shall deem it necessary, or be required by any governmental authority to repair, alter, remove, reconstruct or improve any part of the Leased Premises or of the Building (unless the same result from Tenant's willful act, neglect, default or mode of operation in which event Tenant shall make all such repairs, alterations and improvements) then the same shall be made by Landlord, and should the making of such repairs, alterations, or improvements cause any interference with Tenant's use of the Leased Premises, such interference shall not relieve Tenant from the performance of its obligations hereunder.

15. Use of Premises. During the term of this Lease, the Leased Premises shall be used for general office purposes and for no other purpose without the written consent of the Landlord. Tenant shall not do or permit to be done in or about the Leased Premises, nor bring or keep or permit to be brought or kept therein, anything which is prohibited by or 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, or which is prohibited by the standard form of fire insurance policy, or will in any way increase the existing rate of or affect any fire or other insurance upon the Building or any of its contents, or cause a cancellation of any insurance policy covering the Building or any part thereof or any of its contents, or adversely affect or interfere with any services required to be furnished by Landlord to Tenant, or to any other tenants or occupants of the Building, or with the proper and economical rendition of any such service. Tenant shall not do or permit anything to be done in or about the Leased Premises which will in any way obstruct or interfere with the rights of other tenants of the Building, or injure or annoy them, or use or allow the Leased 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 Leased Premises or commit or suffer to be committed any waste in, on or about the Leased Premises. Tenant shall not cause or permit the use, generation, storage or disposal in or about the Leased Premises or the Building of any substances, materials or wastes subject to regulation under federal, state or local laws from time to time in effect concerning hazardous, toxic or radioactive materials, unless Tenant shall have received Landlord's prior written consent, which Landlord may withhold or at any time revoke in its sole discretion.

The maximum occupancy of the Leased Premises pursuant to code is \_\_\_\_\_ persons. Tenant shall not permit occupancy above such limit.

16. <u>Acceptance and Alteration of the Premises by Tenant; Condition of Premises</u>. Tenant's taking possession of the Leased Premises shall be conclusive evidence that the said Premises were in good order and satisfactory condition when Tenant took possession. Tenant acknowledges

that it has carefully inspected the Premises and accepts same (including all existing mechanical, plumbing, air-conditioning, and heating installations) in their existing condition.

Tenant shall make no structural alterations, additions or improvements without the prior written approval of Landlord (not to be unreasonably withheld) obtained with the Plans and Specifications therefor. Upon the expiration of this Lease, by lapse of time or otherwise, all additions, fixtures, and improvements, including without limitation window treatments, countertops, base cabinets and wall cabinets, made on such premises whether put in by Tenant or Landlord shall belong to and be the property of the Landlord as a part of the premises without any payment therefor to Tenant, and shall be surrendered to Landlord, together with the Leased Premises. Movable equipment and unattached office fixtures are excepted, provided that Tenant is not then in default in the performance of this Lease, and any damage to the leased premises caused by the removal of Tenant's movable equipment or unattached office fixtures shall be paid by Tenant.

17. <u>Assignment and Subletting</u>. Tenant may not assign, mortgage or pledge this Lease or sublease the Leased Premises in whole or in part without the prior express written consent of Landlord, which consent shall not be unreasonably withheld. Landlord shall grant or deny any such consent within ten (10) business days of the later of: (i) Tenant's request, or (ii) the date Landlord receives all information reasonably requested by Landlord regarding the proposed assignee or sublessee. Tenant agrees that it shall not be unreasonable for Landlord to withhold its consent to a proposed assignment or subletting if: (i) the proposed assignee or sublessee does not have the financial capability to meet the obligations of tenant hereunder in Landlord's reasonable opinion; or (ii) Landlord believes that the business of the proposed assignee or sublessee, conducted on the Leased Premises, will have an adverse impact upon the common facilities dissimilar to those required by Tenant. Tenant agrees to provide Landlord with all financial statements and other materials that may be reasonably\_requested by Landlord in connection with its review of the suitability of the proposed sublessee or assignee. Landlord's consent to an assignment or sublease shall not be effective until Landlord has received a written document in which the assignee has assumed and agreed to perform all of Tenant's obligations under the Lease.

Any assignment or sublease to which consent is granted shall not relieve the original Tenant from the payment and performance of its obligations in the Lease.

18. Control of Common Areas; Door and Window Applications. All driveways, ground floor lobby and other lobbies, entranceways, hallways, elevators, corridors and exits, and other common areas and landscaped areas outside of the walls of the Leased Premises and other facilities furnished by Landlord to include all common areas, and all areas that are outside the Leased Premises (collectively or any portion thereof, the "Common Area") shall be at all times subject to the exclusive control and management of Landlord, and Landlord shall have the right from time to establish, modify and enforce reasonable rules and regulations with respect to all facilities and areas and improvements; and from time to time to change such area, location and arrangement of such areas and other facilities referred to; to temporarily close all or any portion of such areas or entrances, lobbies and exits; and to do and perform such other acts in and to said driveways, entranceways, elevators, hallways, corridors and exits, and other common areas and landscaped areas outside of the walls of the Leased Premises, all in the sole judgment of Landlord and as Landlord shall determine to be advisable No personal property shall be maintained or stored in any areas outside the leased premises without the advance written consent of landlord.

Further, Landlord reserves (a) the right from time to time to make changes, alterations, improvements, repairs or replacements in or to the Building and the fixtures and equipment thereof, as well as in or to the street entrances, halls, ground floor lobby and other lobbies, elevators, stairways and other parts of the Building, and to erect, maintain, and use pipes, ducts and conduits in and through the Leased

Premises, all as Landlord may reasonably deem necessary or desirable, and (b) the right to remodel and/or rearrange the Common Areas (which may theretofore have been so designated) as Landlord deems appropriate in its discretion. No action by Landlord undertaken by Landlord with regard to the Common Areas shall constitute an actual or constructive eviction in whole or in part, or entitle Tenant to any abatement or diminution of rental or other charges due hereunder or relieve Tenant from any of its obligations under this Lease, or impose any liability upon Landlord or its agents by reason of inconvenience or annoyance to Tenant, or injury to or interruption of Tenant's business, or otherwise.

Tenant shall not place any applications on any doors or windows, including but not limited to drapes, signs, lettering or placards, without the Landlord's prior written consent.

19. Damage or Destruction. If, prior to or during the term of this Lease, the Leased Premises, or the Building of which the Leased Premises are a part, shall be so damaged or destroyed by fire or other casualty so as to render them untenantable, then either Landlord or Tenant shall have the right to cancel and terminate this Lease by giving the other written notice within forty-five (45) days after such damage or destruction. In the event this Lease is not cancelled or terminated, as herein provided then Landlord shall repair and restore the Leased Premises with all reasonable speed to substantially the same condition as immediately prior to such damage or destruction, except for any trade fixtures, property of Tenant, or property put upon the Leased Premises by Tenant whether deemed herein to be the property of Landlord or of Tenant; and the rental, or a just and proportionate part thereof, according to the nature and extent of the damage shall be abated until said premises shall have been repaired or restored by Landlord. But if the Leased Premises shall be partially damaged by fire or other casualty as not to render the entire Lease Premises untenantable, then Landlord agrees to repair the same with reasonable promptitude, and the rent, accrued or accruing, shall be prorated until such time as the repairs are complete

20. <u>Condemnation</u>. If the whole of the Leased Premises shall be acquired or condemned for any public or quasi public purpose, then the term of this Lease shall cease as of the date of vesting of title and rental shall be paid to that date, and Tenant shall have no claim against Landlord nor the condemning authority for the value of any unexpired term of this Lease but Tenant may maintain a claim for moving expenses and business interruption. If any part of the Leased Premises or the building of which it forms a part shall be acquired or condemned as aforesaid, and if such partial taking shall render the Leased Premises unsuitable for Tenant's business needs, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding. Tenant shall have no claim against Landlord or the condemning authority for the value of any unexpired term of this Lease (but Tenant may maintain a claim for moving expenses and business interruption) and rent shall be adjusted to the date of such termination. In the event of a partial taking which is not extensive enough to render the premises unsuitable for the business needs of Tenant, then Landlord shall promptly restore the Leased Premises to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, and this Lease shall continue in full force and effect with a proportionate abatement in rent.

21. <u>Mechanics Lien</u>. Neither Tenant, not anyone claiming by, through or under Tenant shall have the right to file or place any mechanics lien or other lien of any kind or character whatsoever upon said premises, or upon any building or improvements thereon, or upon the leasehold estate of Tenant herein; and notice is hereby given that no contractor, subcontractor, or anyone else who may furnish any material, service or labor for any building, improvement, alteration, repairs or any part thereto, shall at any time be or become entitled to any lien thereon; and Tenant covenants and agrees to give actual notice thereof, in advance, to any and all contractors and subcontractors who may furnish or agree to furnish any such material, service or

22. Damage to Tenant's Property or Business. Except to the extent damage arises from the gross negligence or willful misconduct of Landlord, its employees or agents, all personal property and equipment on the Leased Property shall be at the risk of Tenant, and Landlord shall not be liable for any damage or loss to said personal property or equipment, or to the Tenant or to Tenant's business, for any reason whatsoever and anywhere located including server rooms, including but not limited to the bursting or leaking of water pipes or temperatures or other climatic conditions, or from any act of negligence of any tenant or occupants of the Building or of any other person whomsoever.

23. <u>Landlord's Right of Entry</u>. Landlord may, during the term of this Lease, upon reasonable advance written notice except in the event of emergency, enter to inspect the Leased Premises, or to make any alterations or repairs that may be deemed reasonably necessary by Landlord, or for such other purposes as may be deemed reasonably necessary by the Landlord, and may show the premises or building to others during the last six (6) months of the term.

24. <u>Waiver</u>. The waiver by Landlord of any breach of any term, condition, or covenant hereof shall not be deemed to be a waiver of such term, condition or covenant or any subsequent breach of the same or of any other term, condition, or covenant or any subsequent breach of the same or of any other term, condition or covenant herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No provision of this Lease shall be deemed waived by Landlord unless such waiver be in writing signed by Landlord.

25. <u>Subordination</u>. The rights of Tenant under this Lease are subject and subordinate at all times to the lien of any mortgage or mortgages now or hereafter encumbering the Leased Premises or any part thereof, and Tenant shall execute such further instruments subordinating this Lease to the lien or liens of any such mortgage as shall be requested from time to time by Landlord, provided, however, that so long as Tenant faithfully meets its obligations under this Lease, including the payment of rent, to such parties as may be legally entitled to receive same, then this Lease shall continue in full force and effect and Tenant's occupancy shall not be affected or impaired as a result of the subordination of this Lease to any mortgage. Landlord agrees that it shall use its best efforts to obtain a non-disturbance agreement from any superior mortgagee.

Upon request of Landlord or Landlord's mortgagee (but in no event more than once per calendar year), Tenant agrees to provide an Estoppel Certificate in a form reasonably satisfactory to Landlord or Landlord's mortgagee certifying that, (a) this Lease is in full force and effect, (b) date of commencement of the term of the Lease, (c) to the best of Tenant's knowledge, rent is paid current without any offset or defense thereto, (d) amount of rent, if any, paid in advance, (e) to the best of Tenant's knowledge, there are not uncured defaults by Landlord or stating those claimed by Tenant, and (f) such other information as Lender may reasonably request or mortgagee may reasonably request; provided that in fact such facts are accurate and ascertainable.

26. <u>Accord and Satisfaction</u>. No payment by Tenant or receipt by Landlord of a lesser amount than the 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 be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided herein, and without waiving any instance of default by Tenant hereunder. 27. <u>No Partnership</u>. Landlord is not in any way or for any purpose a partner of Tenant in the conduct of its business or otherwise, nor is it a joint venture or a member of a joint enterprise with Tenant.

28. <u>Acts of Default Defined</u>. Each of the following shall be deemed a default by the Tenant and a breach of this Lease:

(a) Failure to pay the rent or other charges due Landlord under this Lease, or any part thereof, for a period of fifteen (15) calendar days after receipt of written notice from Landlord that the\_same is past due.

(b) Failure to do, observe, keep and perform any of the terms, covenants, conditions, agreements, and provisions in this Lease on the part of the Tenant to be done, observed, kept, and performed, for a period of twenty (20) calendar days after notice from Landlord. For the purposes of this sub-paragraph, if the default complained of be a default other than one which may be cured by the payment of money, no default on the part of Tenant shall be deemed to exist if steps shall have been in good faith commenced promptly by the Tenant to rectify the same and shall be prosecuted to completion within sixty (60) days of said notice.

(c) The abandonment of the Leased Premises by the Tenant; the filing by or against Tenant of any petition under the Bankruptcy; making by Tenant of a general assignment for the benefit of creditors; any attempt to have Tenant's leasehold estate taken by execution and levy against Tenant.

29. <u>Landlord's Remedies in Event of Default</u>. In the event that Tenant shall default as herein above defined or otherwise then the Landlord shall have the following remedies\_while such default remains uncured, which shall be in addition to all other remedies provided by law:

(a) In the event of default under Section 28(a), Landlord, at its option, may repossess the premises, and be entitled to recover immediately, as liquidated agreed final damages, in lieu of any further deficiencies, the total amount to be paid by Tenant during the balance of the term of this lease, which amount shall be discounted to present value at a rate equal to three (3%) per annum. Landlord shall use its best efforts to mitigate any damages by re-renting the Leased Premises or portions thereof and any rents collected shall be deducted from the liquidated damages provided for in this sub-section 29(a) ; or,

(b) In the event of default under Section 28(a), Landlord, at its option and in addition to all other remedies, may re-enter the Leased Premises following seven (7) calendar days written notice to Tenant to cure such default and possess same for its own account or may recover possession thereof in any manner provided by law. In the event of abandonment by Tenant, no notices herein provided shall relieve Tenant for its liability for any amounts due prior to the date of termination. Thereafter Landlord may relet same or any part thereof, in the name of the Landlord or otherwise, for such term (which may be greater or lesser than the period which would have otherwise constituted the balance of the term of this Lease) and on such conditions and for such rental as the Landlord, in its reasonable discretion, may determine, and Landlord may collect and receive the rent therefor. The income from such reletting shall be applied, first, to the payment of any indebtedness of Tenant to Landlord other than rent due hereunder; second, to the payment of any reasonable costs of such reletting, including the costs of any reasonable alterations and repairs to the premises; third, to the payment of rent 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. Should the income of such reletting during any month be less than the monthly rent reserved hereunder, then Tenant shall during each such month pay such deficiency to Landlord.

(c) If Tenant shall be in default in performing any of the terms of this Lease other than the payment of rent, Landlord may (at its option and in addition to its other legal remedies) cure such default for the account of Tenant and any reasonable sum so expended by Landlord shall be additional rent for all purposes hereunder and shall be paid by Tenant with the next monthly installment of rent.

(d) The remedies herein shall be cumulative and none shall be exclusive of any rights or remedies permitted by law. No action by Landlord pursuant to a default under this Lease by Tenant shall be construed as an election of remedies.

(e) The prevailing party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Agreement.

30. <u>Notices</u>. All notices to be given hereunder shall be in writing, and delivered personally, by overnight mail, or by United States mail, postage prepaid, addressed to Landlord or Tenant at the addresses hereinafter provided, or such other address as either party may have provided as herein specified:

As to Landlord: DAHLMANN APARTMENTS LTD. c/o City Center Building Management Office 220 East Huron Street Ann Arbor, Michigan 48104 Attention: Susan G. Milne

As to Tenant: WASHTENAW COUNTY P. O. Box 8645 Ann Arbor, Michigan 48104 Attention: Director, Office of Infrastructure Management

Notices sent by mail shall be deemed delivered three (3) days after deposit in the United States mail, properly addressed, postage prepaid. Notices sent by overnight mail shall be deemed delivered on the next business day. Notwithstanding the foregoing, where notice is specified to be by certified or guaranteed overnight mail, such notice shall be sent by certified and/or guaranteed mail, as applicable.

31. Miscellaneous.

(a) The paragraph captions in this Lease are for convenience only and shall not affect the construction or interpretation of the terms and provisions hereof.

(b) This Lease shall be construed and enforced according to the laws of Michigan.

(c) This Lease shall not be recorded.

(d) The terms "Landlord" and "Tenant" and any pronouns used in connection therewith shall be construed to include the plural as well as the singular, and the masculine, feminine and neuter where the context may require.

(e) This Agreement shall be binding upon, and the benefits hereof inure to, the respective heirs, personal representatives, successors and assigns of the parties hereto.

(f) Any Addendum or attachment to this Lease executed by both Landlord and Tenant, and containing provisions in conflict with the terms hereof, shall be deemed and held to supersede the conflicting provisions hereof.

(g) This Agreement constitutes the entire Agreement of the parties, and supersedes all prior agreements, representations and understandings.

(h) Each signatory of this Lease represents hereby that he or she has the authority to execute and deliver it on behalf of the party hereto for which such signatory is acting.

(i) If any term, covenant, or condition of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed this Lease in duplicate the day and year first above written.

WITNESSES:

LANDLORD: DAHLMANN APARTMENTS LTD.

As to Landlord

By: \_\_\_\_

Susan G. Milne Senior Vice-President

As to Landlord

Dated: \_\_\_\_\_

TENANT: WASHTENAW COUNTY

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

As to Tenant

Ву:\_\_\_\_

As to Tenant

Dated: