

IMF/9050 9.24.18

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into at Willoughby Hills, Ohio, as of this ____ day of October, 2018, by and between BISHOP CHECKMATE, LLC, an Ohio limited liability company (as "Landlord"), whose address is 5900 SOM Center Road, Suite 12-334 Willoughby Hills, Ohio, 44094 and the CITY OF WILLOUGHBY HILLS, (as "Tenant"), whose address is 35405 Chardon Road, Willoughby Hills, Ohio 44094.

WITNESSETH:

IN CONSIDERATION of the foregoing recitals and mutual covenants, promises, and agreements hereinafter contained, and each act performed hereunder by either of the parties, Landlord and Tenant agree as follows:

I. BASIC LEASE PROVISIONS

This Article I is an integral part of this Lease and all of the terms hereof are incorporated into this Lease in all respects. In addition to the other provisions which are elsewhere defined in this Lease, the following, whenever used in this Lease, shall have the meanings set forth in this Article I:

1. "Landlord" – **Bishop Checkmate, LLC** having an address of 5900 SOM Center Road, Willoughby Hills, Ohio 44094
2. "Tenant" – The City of Willoughby Hills.
3. "Property" – 27701 Chardon Road, Unit 13, Willoughby Hills, Ohio
4. "Building" – 27701 Chardon Road, Unit 13, Willoughby Hills, Ohio 44092 consisting of approximately 4,531 square feet.
5. "Premises" - The Premises shall consist of the entire building located 27701 Chardon Road, Unit 13, Willoughby Hills, Ohio 44092
6. "Term" - The lease term shall run from November 1, 2018 until October 31, 2023, a period of 60 months, subject to Early Termination Provision. (Article II Paragraph 3). In addition to the original Term, Tenant and Landlord agree to a five (5) year extension which extension must be exercised and a Lease Modification entered into no less than Twelve (12) months prior to termination of this original Lease Term.
7. "Possession Date" - Tenant shall be permitted possession of the Premises upon execution of this Lease and first month's rent, substantial completion of Landlord's Work, and issuance of an Occupancy Permit by the City of Willoughby Hills. (Article II Paragraph 3(b))
8. "Rent" – The Rent for the initial Term shall be the amount indicated below:
 Year 1-5: \$67,965.00 annually at the rate of \$5,663.75 per month (\$15.00/sf)
 Renewal Term:
 Years 6-10: \$74,761.50 annually at the rate of \$6,230.12 per month (\$16.50/sf)
 The monthly Rental payments to be paid in installments shall be due by the 1st of each month, without invoice. (Article II Paragraph 4)
9. "Additional Rent"- Tenant shall be responsible for its Prorata Share of real estate taxes, building insurance and common area charges in the event that the use of the Premises is changed from a Police Substation to the main Willoughby Hills Police Station, any other use which is not a Police Substation or this Lease is assigned or sublet to a third party. It is the intent of the parties that this Lease shall be a Gross Lease unless the use of the Premises shall be changed or the Premises shall be used as the main Willoughby Hills Police Station or this lease is assigned or sublet to a third party. (Article II Paragraph 10)

10. "Security Deposit" - A security deposit shall be waived. (Article II Paragraph 5)

11. "Permitted Use" - The Premises are to be used for a City of Willoughby Hills Police Substation (Article II Paragraph 6).

12. "Renewal Term" – As a matter of right, the Tenant has the right to renew this Lease for the Renewal Term of five (5) years. Beyond the Renewal Term, Tenant and Landlord may mutually renew this Lease upon terms and conditions mutually agreed upon by the parties hereto.

Tenant must give the Landlord notice of its intent to exercise its right to renew this Lease for the Renewal Term no less than twelve (12) months prior to the termination of the original Lease Term.

13. "Notice" - Any notice or consent required or permitted to be given or requested, hereunder shall be in writing and may be given or requested by personal delivery or by certified mail, postage prepaid, return receipt requested, addressed to Tenant or to Landlord at the address set forth herein below or at such other address as either party may designate by notice hereunder to the other party:

Landlord: Bishop Checkmate, LLC
5900 SOM Center Road, Suite 12-334
Willoughby Hills, Ohio 44094
Phone: 216-731-8616

Tenant: City of Willoughby Hills
35405 Chardon Road
Willoughby Hills, Ohio 44094
Phone: _____

14. "Exhibits" - Exhibit A - Floor Plan
Exhibit B - Site Plan
Exhibit C - Work Letter
Exhibit D - Rules and Regulations
Exhibit E - Signage Criteria

II. LEASE PROVISIONS

1. PREMISES.

For and in consideration of the payment of rent and the performance by Tenant of the covenants and agreements hereinafter set forth, Landlord does hereby demise, let and lease unto Tenant, and Tenant does hereby lease from Landlord approximately 4,531 square feet of space known as 27701 Chardon Road, Unit 13, Willoughby Hills, Ohio 44094 (the "Premises" and or Building). The Building is sometimes referred to in this Lease as the "Property". The Premises, as presently exists, is more specifically described on the attached Exhibit A (the "Floor Plan"). The Property is more specifically identified on the attached and incorporated Exhibit B (the "Site Plan").

2. DEGREE OF COMPLETION OF PREMISES.

(a) Premises Accepted As-Is. Except as described in the attached Exhibit C (the "Work Letter"), Tenant agrees to accept the Premises in its present as-is condition. Alterations or work to the Premises not set forth in the Work Letter will be at Tenant's sole expense and will be performed diligently, promptly and in accordance with Landlord requirements, which requirements Tenant must obtain from Landlord in writing. Tenant's taking possession of the Premises will be deemed conclusive evidence of Tenant's acceptance of the Premises in good order and satisfactory condition. Upon request by Landlord, Tenant will acknowledge, in writing, the date of its taking possession of the Premises. Tenant acknowledges and agrees that Landlord has made no representations as to conformance with applicable laws respecting the condition of the Premises. Tenant also agrees that no representations respecting the condition of the Premises, no warranties or guarantees, express or implied, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose, with respect to workmanship or any defects in material, and except as stated in the Work Letter, no promise to decorate, alter, repair

or improve the Premises either before or after the execution of this Lease have been made by Landlord or its agents to Tenant.

(b) Construction Changes/Additions. Except as stated in the Work Letter, Landlord is under no obligation to make any changes, modifications, additions or alterations to the Premises. If, after this Lease has been executed, Tenant requests any change, modification, addition or alteration to the Premises (a "Tenant Change Request"), such request must be set forth in writing and delivered to Landlord. Landlord is under no obligation to make any change, modification, addition or alteration requested in a Tenant Change Request. If, however, Landlord agrees to make a change, modification, addition or alteration requested in the Tenant Change Request, then Landlord will prepare a written change order (a "Change Order") setting forth the change, modification, addition or alteration Landlord agrees to perform, which Change Order will be signed by both Landlord and Tenant. Upon execution of the Change Order by both Landlord and Tenant, the Change Order will be incorporated into and become a part of this Lease. In no event will Landlord be obligated to make any such requested changes, modifications, additions or alterations unless and until the Change Order has been executed by both Landlord and Tenant. Tenant will pay Landlord the amount billed to Tenant by Landlord for all costs and expenses associated with the Change Order work (sum may include a reasonable administrative fee) not later than the thirtieth (30th) day after Tenant's receipt of an invoice from Landlord therefore. Landlord reserves the right to require payment by Tenant of a deposit as a condition to performing the work set forth in the Change Order and, if such a deposit is required, Landlord will not be obligated to perform any work set forth in a Change Order unless and until Landlord receives the deposit. Tenant Change Requests may cause the occupancy date as set forth in this Lease to be delayed. The Lease (and Rental) Commencement date shall remain the same.

3. TERM.

(a) Term. The term of this Lease (the "Term") shall commence on November 1, 2018 (the "Commencement Date") and shall expire on October 31, 2023.

(b) Possession. Tenant shall take possession of the Premises upon execution of this Lease, substantial completion of Landlord's work as outlined in Exhibit C, and issuance of an Occupancy Permit by the City of Willoughby Hills. Upon the satisfaction of those items described hereinabove in Paragraph 3(b), Landlord shall advise Tenant of the Possession Date. Should Tenant's Possession Date occur on a date before or after the Commencement Date and not the first of a month, Rent shall be due on a prorata basis for that partial month. So long as Tenant has satisfied all conditions of this Paragraph 3(b) prior to the Commencement Date, Rent shall commence on the Possession Date established by Landlord.

(c) Early Termination. The Tenant shall have the right to terminate this Lease, with or without cause, during the first twenty-four (24) months during the initial Term by giving the other party ninety (90) days prior written notice of its intention to terminate.

4. RENT.

(a) Rent Payable. Guarantor will pay to Landlord as rent ("Rent") for the Premises, the following:

(i) Base Rent (as defined in Paragraph 4(b), on the total square footage of the Premises as set forth in Section I-8 above, and

(ii) There shall be no Additional Rent described in Article II, Paragraph 10 below.

(b) Base Rent. Base Rent as provided in Section I-8.

(i) The first month's Base Rent in the amount of \$5,663.75 shall be payable upon execution of this Lease.

(ii) Base Rent shall not commence until the first (1st) month of the Lease Term, unless Tenant shall occupy the Premises prior to the Lease Commencement Date.

(c) Payment of Rent. Guarantor will pay the Rent to Landlord, without notice, demand, deduction or set-off, in monthly installments, in advance, on the first day of each calendar month in lawful money of the United States of America at the address Landlord specified for notices in Section II Paragraph 22. The first payment of

Rent will include any prorated Rent for the partial calendar month, if any, from the Commencement Date to the first day of the first Lease Year. The covenant and obligation of Guarantor to pay Rent under this Lease is unconditional and independent of all other covenants and conditions imposed on either Landlord or Tenant, whether under this Lease, at law or in equity. The Guarantor shall pay the rent for the initial Term and the Renewal Term and the Tenant shall pay no rent for either.

(d) Late Payments. Any payment due to Landlord that is not paid on the date specified for payment under this Lease will incur a late fee of Two Hundred Fifty and 00/100 Dollars (\$250.00) per occurrence. In addition, any sum not paid within fifteen (15) days of the date due shall also bear interest at the rate of ten (10%) per annum up until the date paid. Nonpayment of Rent and other monies due under this Lease (including, without limitation, the late penalty and interest charge) will constitute a default under this Lease if not received within five (5) days of their due date. The Guarantor is responsible for any Later Payments, and its failure to pay or default does not affect the Tenant's right to occupy the premises.

(e) Invoices. No invoice or notice shall be sent for Base Rent. All Additional Rent bills or invoices to be given by Landlord to Tenant will be sent to Tenant's Notice Address via regular mail or delivery. Tenant may change Tenant's Notice Address by written correspondence to Landlord given according to Section II Paragraph 22.

(f) Rent Demand; Accord and Satisfaction. After the service of any notice to vacate the Premises, the commencement of any suit, or the rendering of a final judgment therein, Landlord may receive and collect any Base Rent and/or Additional Rent due and such collection or receipt shall not operate as a waiver of nor affect or prejudice any such notice, suit or judgment. No payment by Guarantor or receipt by Landlord of a lesser amount than the rental amount herein stipulated shall be deemed to be other than on account of the earliest stipulated Base Rent nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Base Rent be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Base Rent or Additional Rent or pursue any other remedy provided for in this Lease or available at law or in equity.

5. SECURITY DEPOSIT.

Tenant shall not be required to deposit a security deposit with Landlord.

6. USE OF PREMISES.

(a) Permitted Use. The Premises are to be used for a City of Willoughby Hills Police Substation, but in no case for the storage or handling of hazardous substances as defined in Paragraph 7(b). There shall be no change in use or occupancy without written consent of Landlord.

(b) Conduct of Business. Tenant will conduct its business and control its agents, employees, guests and visitors in a manner so as not to create any nuisance, or interfere with, annoy or disturb other Tenants of Landlord in the use or management of the Premises.

(c) Compliance with Laws. Tenant will, in its use and occupancy of the Premises, comply, at its sole expense, with all applicable laws, rules, ordinances, regulations, orders, permits and requirements, with the requirements of all policies of insurance of whatever nature that Landlord or Tenant is required or permitted to maintain pursuant to this Lease and with the certificate of occupancy for the Building.

(d) The Building is Non-Smoking. Tenant shall comply with Ohio Administrative Code section 3701-52. Fines or penalties issued by the Ohio Department of Health for any violations of Section 3701-52 by Tenant, Tenant's representatives, employees or guests shall be paid by Tenant.

(e) Inspection of the Premises. Tenant has inspected the Premises and acknowledges that the Premises are suitable for Tenant's use. However, should Tenant require handicap accessibility for its employees, agents and/or business invitees pursuant to any of the provisions of the Americans with Disabilities Act of 1990, Landlord shall offer to make such requested changes to the Premises at Tenant's sole cost and expense.

(f) Continuous Occupancy. Tenant's continuous occupancy of the Premises and the regular conduct of Tenant's business in the Premises are of the utmost importance to Landlord in the maintenance of the character

and quality of Landlord's contiguous shopping center. Therefore, only Tenant (or any approved assignee or subtenant) will physically occupy the Premises during the entire Term.

(g) Parking. Tenant shall have the right of the parking facilities provided for said Building. There are no reserved parking spaces except as may be designated by individual signage. There may be overnight parking without Landlord's prior permission so long as Tenant shall make proper provisions for snowplowing during the winter season. The City of Willoughby Hills prohibits parking in the identified fire lanes and handicap parking spaces.

(h) Roof Access. Access to the roof by the Tenant, Tenant's employees, agents or invitees for any reason, including but not limited to the maintenance or installation of heating/cooling equipment and antennas is strictly prohibited without Landlord's prior written consent for each occurrence. Tenant shall be responsible for all damages to the roof and to persons and property resulting from work done on the roof by its employees, agents, invitees or contractors.

(i) Sprinkler Discharge. If the Premises is serviced by a sprinkler system and said system is discharged or activated due to Tenant's negligence or in the event of a casualty occurring in the Premises and such casualty is caused by Tenant, its employees, invitees, vendors or agents, Tenant shall be responsible for any and all expense in repair or restoration of the sprinkler system and all additional water charges which may be assessed due to the discharge.

7. ENVIRONMENTAL.

(a). Tenant acknowledges that Landlord has granted to Tenant the right, prior to the execution of this Lease, to conduct such other environmental investigations, tests and studies as Tenant may select, it being agreed and understood that Tenant accepts the environmental conditions of the Premises "as is with all faults".

(b). The term "Hazardous Substance" includes, without limitation, those substances included within the definition of "Hazardous Substances", "Hazardous Materials", "Toxic Substances", "Hazardous Waste", or "Solid Waste" in any Environmental Law (as hereinafter defined), and oil and petroleum products, asbestos, polychlorinated biphenyls, urea formaldehyde and lead-based paint. The term "Environmental Law" includes any federal, state and local law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environmental conditions on, under or about the Premises, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., and the Hazardous Material Transportation Act, 49 U.S.C. Section 1801, et seq.

C. Tenant shall not use, manufacture, release, treat, store, dispose of or generate at the Building or Common Area or off-site any Hazardous Substances (as hereinafter defined) without the written consent of Landlord, except as permitted by Landlord; and, to the extent so permitted, Tenant agrees to manage and dispose of all Hazardous Substances used, manufactured, released, treated, stored, disposed of or generated at the Property in accordance with all Environmental Laws and all other federal, state or local laws, regulations and rules.

D. Upon the expiration of the term of this Lease or the earlier termination hereof, Tenant shall remove all Hazardous Substances used and/or generated by Tenant and then remaining upon any portion of the Property. Landlord shall have the right to inspect the Premises with regard to the management and disposal of Hazardous Substances at all reasonable times during the term of this Lease.

E. In the event of a proposed sublease, assignment or change in the permitted use of the Premises which would, in Landlord's sole judgment, result in any increased risk or liability to person or property, then notwithstanding anything contained in this Lease to the contrary, Landlord may withhold its consent to such proposed sublease, assignment or change of permitted use of the Premises.

F. Notwithstanding anything herein contained to the contrary, Tenant shall indemnify and hold Landlord harmless from any and all losses, costs, damages, liabilities and expenses (including reasonable attorneys' fees and expenses) resulting from any Hazardous Substance used, manufactured, released, treated, stored, disposed of or generated on or about the Property by Tenant, its agents, employees, customers or contractors.

G. The provisions of this Paragraph 7 shall survive the termination or expiration of this Lease.

8. ALTERATIONS BY TENANT.

Tenant shall have the right during the Term to make such alterations or improvements to the Premises as may be proper and necessary for the conduct of Tenant's business and for the full beneficial use of the Premises, provided Landlord shall give its prior written consent to such alterations and improvements (which consent, in the case of interior, non-structural alterations which do not affect any Building systems or utilities, shall not be unreasonably withheld or delayed), and provided further, Tenant shall pay all costs and expenses and charges therefore, shall make such alterations and improvements in accordance with applicable laws and building codes in a good workmanlike manner, and shall fully and completely indemnify Landlord against any mechanics lien or other lien or claims in connection with the making of such alterations and improvements. Upon termination or expiration of this Lease or any renewal thereof, all alterations, additions, improvements and replacements made or provided by either party upon said Premises, except moveable office furniture, office and warehouse equipment and trade fixtures provided at Tenant's expense, shall be the property of Landlord, and shall remain upon and be surrendered with the Premises upon termination, without molestation or injury. Tenant shall not make any alterations to the plumbing, electrical, HVAC, roof, structure or exterior of the building, nor make any alterations that affect ingress or egress from the Premises without Landlord's written consent.

If Landlord approves Tenant's plans, such approval does not constitute a representation or warranty by the Landlord as to the adequacy or sufficiency of the plans.

Tenant shall indemnify and save harmless the Landlord against all loss, liability, costs, attorney's fees, damages or interest charges as a result of any mechanic's lien or any other lien caused to be filed against the Building, the Premises or Tenant's leasehold estate herein as a result of acts or omissions of the Tenant or its agents and employees, and the Tenant shall, within thirty (30) days of the filing of any such lien and written notice given to Tenant, remove, pay or cancel said lien or secure the payment of any such lien or liens by bond or other acceptable security.

Notwithstanding anything to the contrary contained in Ohio Revised Code Section 1311.10 or in the Lease, Tenant, shall not be deemed to be a partner, joint venturer or agent of Landlord; and in no event shall any lien resulting from Tenant's improvements to the Premises encumber Landlord's underlying fee simple estate. Tenant agrees that it shall not enter into any contract for improvements to the Premises unless the following language is included in such contract:

"Notwithstanding anything herein contained to the contrary, the contractor acknowledges that The City of Willoughby Hills holds only a leasehold interest in the property which is the subject of this contract. The City of Willoughby Hills is not the agent of the owner of the property, and no lien resulting from work performed under this contract shall attach to the interest of such owner."

Tenant shall not permit any work to be commenced until such time as Tenant has provided Landlord with a fully executed copy of the construction contract evidencing incorporation of the aforesaid language. In addition, prior to the commencement of work, Tenant shall post the following notice in a conspicuous place on the Premises, and shall assure that such notice is maintained throughout the entire course of construction:

**NOTICE TO CONTRACTORS, SUBCONTRACTORS
MATERIALMEN AND LABORERS**

Notice is hereby given that work on the City of Willoughby Hills premises located at 27701 Chardon Road, Willoughby Hills, Ohio, is being performed for the City of Willoughby Hills and the City of Willoughby Hills is not the agent of the owner of this property, and any lien rights shall be limited to the leasehold estate of the City of Willoughby Hills and shall in no event attach to the interest of the owner.

Tenant shall have the right at all times and at its own expense to contest and defend on behalf of the Tenant or Landlord any action involving the collection validity or removal of such lien or liens, upon giving adequate security to the Landlord for payment of such lien.

9. UTILITIES AND JANITORIAL SERVICE.

(a) Utilities. Tenant shall contract directly with the utility provider, place all meters in its name, and pay for all utility services (including, without limitation, gas, electric, water and sanitary sewer, telephone and cable) rendered or furnished to the Premises during the Term hereof, which may be separately metered. Should any special assessments or charges to water and sewer bills apply, Tenant shall be responsible for said amounts.

Landlord shall have the sole and exclusive right at any time and from time to time during the Lease Term to either contract for service from a different company or companies providing utility services (each such company shall hereinafter be referred to as an "Alternate Service Provider") or continue to contract for service from existing providers. Tenant shall cooperate with Landlord, the utility service providers, and any Alternate Service Provider at all times and shall allow each of them access to the building's electric lines, service lines, feeders, risers, wiring, meters, and any other equipment within the premises. Landlord shall not be liable for any loss sustained by reason of changing over to any Alternate Service Provider.

(b) Janitorial Services. Base Rent does not include janitorial services for the Premises and Landlord shall not be required to perform same.

(c) Liability. Landlord shall not be responsible for any damages or claims by Tenant for any interruption in utility services to the Premises.

10. PRORATA SHARE OF TAXES AND ASSESSMENTS, INSURANCE AND COMMON AREA MAINTENANCE

Tenant shall not be responsible for any prorated share of taxes and assessments, insurance and common area maintenance charges for the Premises or the shopping center in which the Premises is located so long as the Premises is used as a Police Substation. In the event the use of the Premises has been changed from a Police Substation or in the event this Lease is assigned or sublet to a third party, Tenant shall be responsible for its prorata share of taxes and assessments, insurance and common area maintenance charges.

Tenant shall be responsible for obtaining an exemption from the payment of real estate taxes and assessments levied against the Premises due to the Premises being used as a municipal facility. In the event this exemption cannot be obtained, Tenant shall be responsible for any real estate taxes and assessments charged by Lake County for the Premises.

11. MAINTENANCE AND REPAIR.

(a) Maintenance by Landlord. Landlord will keep, or cause to be kept, the foundations, roof and structural portions of the walls of the Premises, and common areas of the Property including but not limited to the landscaping, parking lots, and driveways in good order, repair and condition, except for damage thereto due to the acts or omissions of Tenant, its agents, contractors, invitees, guests, customers or employees. Landlord shall also perform all snowplowing and snow removal from the parking lots and driveways of the Property. Landlord will commence repairs as soon as reasonably practicable after receiving written notice from Tenant thereof. This Paragraph 11(a) shall not apply in the case of damage or destruction by fire or other casualty, or condemnation or eminent domain, in which events, the obligations of Landlord will be controlled by Paragraphs 14 and 23. Except as provided in this Paragraph 11, Landlord will not be obligated to make repairs, replacements or improvements of any kind upon the Premises, or to any equipment, merchandise, stock in trade, facilities or fixtures therein, all of which will be Tenant's responsibility, but Tenant will give Landlord prompt written notice of any accident, casualty, damage or other similar occurrence in or to the Premises or the common areas of which Tenant has knowledge.

(b) Maintenance by Tenant. Tenant will, at all times, at Tenant's sole cost and expense, keep the Premises (including all entrances and vestibules) and all partitions, window and window frames and moldings, glass, store fronts, exterior and interior doors, door openers, frames, fixtures, equipment and appurtenances thereof (including, without limitation, lighting, heating, electrical, plumbing, ventilating and air conditioning, fixtures and systems and other mechanical equipment and appurtenances) and all parts of the Premises not required to be maintained by Landlord, in good order, condition and repair and clean, orderly, sanitary and safe (including, without limitation, doing such things as are necessary to cause the Premises to comply with applicable laws, ordinances,

rules, regulations and orders of governmental and public bodies and agencies, such as, without limitation, the Americans with Disabilities Act of 1990, as amended from time to time, and the Williams-Steiger Occupational Safety and Health Act, as amended from time to time). If replacement of equipment, fixtures and appurtenances thereto is necessary Tenant will replace them with new or completely reconditioned equipment, fixtures and appurtenances, and repair all damages done in or by such replacement. If Tenant does not perform its obligations hereunder, Landlord, without notice, may, but will not be obligated to, perform Tenant's obligations or perform work resulting from Tenant's acts or omissions (or the acts or omissions of Tenant's agents, contractors, invitees, guests, customers or employees) and add the cost of the same to the next installment of Base Rent due under this Lease. Tenant shall be responsible for the removal of snow and ice, and the sweeping and cleaning of the area and steps immediately contiguous to Tenant's entrance(s).

(c) Maintenance of HVAC.

(i) Rooftop HVAC Units and Gas Fired Warehouse Heaters ("GFWH") serve the Premises. Landlord shall at its expense maintain an annual maintenance and repair contract on the HVAC system with a minimum of two (2) inspections and service calls annually including filter changes. All HVAC units shall be in good working order as of Tenant's initial occupancy, and Landlord shall make any necessary repairs or replacements to units in the initial heating or cooling season following said occupancy. Any necessary service requiring roof access shall be performed at Landlord's sole cost and expense by Landlord or Landlord's approved roofing contractor.

(ii) HVAC System Alterations. The existing heating, ventilating and air conditioning system (HVAC) has been designed for normal loads and personnel. If the design limitations are exceeded, Tenant shall pay for any additional and/or modified HVAC equipment required by its operations and shall be responsible for any related costs. Thermostats or other auxiliary controls or devices provided or installed by the Tenant or its agents shall void any and all warranties (if applicable) regarding the HVAC and GFWH equipment. Any costs or damage or maintenance required as a result of the installation of said equipment will be performed at the Tenant's sole cost and expense.

(d) Rubbish. Tenant shall be responsible for its own rubbish removal and agrees that all rubbish containers shall be stored inside the Premises, and that there shall be no storage of rubbish, pallets, or other items outside of the Premises. Tenant shall provide its own dumpster for disposal of standard office waste. If Tenant desires, Landlord may assign a location for Tenant to have an adequately sized and serviced dumpster at Tenant's cost. Landlord may change this location from time to time.

12. USE AND CARE OF PREMISES.

(a) Tenant shall use and occupy the Premises in a careful, safe and proper manner and shall keep the Premises in a clean and safe condition in accordance with local ordinances and the lawful direction of proper public officers.

(b) Tenant shall not use or allow the Premises to be used for any purpose other than as specified herein and shall not permit the Premises to be used for any unlawful purpose or in any way that will injure the reputation of the Premises.

(c) Tenant shall not permit any transfer by operation of law of Tenant's interest in the Premises acquired through this Lease, except in the event such transfer is to a successor or surviving corporation resulting from a merger, consolidation, sale of assets or stock, or other corporate reorganization.

(d) All property which may be upon said Premises during the Term hereof or any renewal thereof shall be at and upon the sole risk and responsibility of Tenant except for loss or damage thereto caused by or due to the act or negligence of Landlord or Landlord's representatives.

(e) Tenant shall not have the right to grant any licenses or any other rights of entry into the Premises or the Property on which the Premises is located, to any third parties excepting Tenant's guests, employees, its vendors and invitees, which shall have the right of entry into the Premises for ordinary business purposes.

13. INSURANCE.

(a) Indemnity. Tenant will indemnify Landlord and save Landlord harmless from and against all claims, actions, damages, liability and expense in connection with loss, damage or injury to person or property occurring in, on or about, or arising out of the Premises, or the use or occupancy of the Premises, or the conduct or operation of Tenant's business, or occasioned wholly or in part by any act or gross negligence of Tenant, Tenant's agents, contractors, invitees, guests, customers or employees, except for loss, damage or injury resulting solely from the gross negligence of Landlord or Landlord's agents or employees.

(b) Liability Insurance. Tenant, at all times during the Term, will, at its expense, keep in full force and effect, comprehensive general liability insurance with "personal injury" coverage and contractual liability coverage, with minimum limits of \$2,000,000.00 on account of bodily injuries to, or death of, one or more than one person as the result of any one accident or occurrence and \$500,000.00 on account of damage to property. Landlord shall have the right, from time to time but in no event more than once during each year of the Term of this Lease, to require Tenant to raise the existing limits of the policy if Landlord determines that the limits are no longer adequate. Landlord shall be listed as an additional insured on the policy.

(c) Insurance on Tenant's Contents. Tenant will obtain fire, extended coverage, vandalism and malicious mischief, sprinkler damage and all-risk insurance coverage on all personal property, furnishings, furniture, equipment, floor covering, trade fixtures and contents for their full insurable value on a replacement cost basis.

(d) General Provisions. All insurance required of Tenant under this Lease will be in form and with companies reasonably satisfactory to Landlord and will provide that the policies will not be subject to cancellation, termination or change except after at least 30-days prior written notice to Landlord. A copy of the policy or policies, together with satisfactory evidence of payment of the premium(s) therefore, will be deposited with Landlord on the earlier of the Commencement Date or on the date Tenant first enters the Premises to perform work, fixture, or otherwise, and upon renewals of the policy or policies not less than fifteen (15)-days before the expiration of the extra term of the coverage. If Tenant fails to comply with these requirements, Landlord may, but will not be obligated to, obtain the insurance and keep it in effect, and Tenant will pay Landlord the premium therefore upon demand. The deductible on each policy of insurance required of Tenant shall not exceed \$1,000.00 per incident.

(e) Waiver of Claims. Landlord and Landlord's agents and employees will not be liable for, and Tenant waives all claims for, damage to person or property, loss of business, and any other losses or damages sustained by Tenant or any person claiming through Tenant resulting from any accident or occurrence in or upon the Property. Tenant's waiver includes, without limitation, claims resulting from the following, whether or not Landlord may have any obligation under this Lease to repair or maintain any of the following, unless Tenant gave proper written notice to Landlord or the necessity of the repair or maintenance and Landlord did not complete the repair or maintenance within a reasonable time after receipt of the notice: (i) any equipment or appurtenances becoming out of repair; (ii) injury done or occasioned by wind; (iii) any defect in, or failure of plumbing, heating, cooling or air-conditioning equipment, sprinkler system, electric wiring, gas, water pipes, stairs, rails or walks; (iv) broken glass; (v) the backing up of any sewer pipe or downspout; (vi) the bursting, leaking, or running of any tank, tub, washstand, water closet, waste pipe, drain, or any other pipe or tank in, upon, or about the Premises; (vii) the escape of steam or hot water; (viii) water, snow or ice being upon or coming through the roof, skylight, trap door, stairs, walks or any other place upon or near the Property; (ix) the falling of any fixtures, plaster or stucco; and (x) any act, omission, or negligence of trespassers, thieves, or co-Tenant's, or of any other persons or occupants of the Property or adjoining or contiguous Buildings or of owners of adjacent or contiguous property.

(f) Landlord's Insurance. Landlord will carry all-risk fire and extended coverage insurance on the Building for its full insurable value on a replacement cost basis, which may be part of blanket insurance.

(g) Mutual Waiver of Subrogation. Landlord, Tenant and all parties claiming under them each mutually release and discharge each other from all claims and liabilities arising from or caused by fire or other casualty or hazard covered or required to be covered by hazard insurance under this Lease with respect to the Property and the personal property owned by them therein, or in connection with activities conducted on the Property, no matter how caused, including negligence, and each waives any right of subrogation which might otherwise exist on account thereof. This Subparagraph (h) will only apply insofar and to the extent that the provisions of this Subparagraph (h) will not invalidate any insurance maintained by Landlord or Tenant or cause the premiums therefore to be increased.

14. DAMAGE OR DESTRUCTION BY FIRE OR OTHER CASUALTY.

If (i) the Building is totally or substantially destroyed by fire or other casualty, or (ii) the Premises or the Building is so damaged that rebuilding or repairs cannot be completed within one hundred eighty (180) days after the date of the damage (as determined by Landlord), or (iii) the Premises are damaged during the last year of the Term to the extent that it will cost more than fifteen percent (15%) of the replacement cost of the Premises to repair the damage, or (iv) the Building or the Premises is damaged as a result of a happening not covered under Landlord's insurance, then Landlord may, at its option, terminate this Lease within ninety (90) days after the date of the damage (as determined by Landlord) by giving written notice to Tenant, in which event Rent and other charges will be abated during the unexpired portion of the Term. If Landlord does not terminate this Lease, Landlord will, following receipt of insurance proceeds, rebuild or repair the Premises and/or the Building (to the extent insurance proceeds are available) to substantially the same condition in which they were immediately before the happening of the fire or other casualty, except that Landlord will not be required to rebuild, repair or replace any part of the furniture, floor covering, equipment, fixtures and other personal property which may have been placed by Tenant or other Tenant's within the Building or Premises. Landlord will allow Tenant an abatement of Base Rent during the time and to the extent that the Premises are unfit for occupancy.

15. DEFAULT.

(a) Events of Default. Each of the following will be deemed an "event of default" under this Lease:

- (i) Intentionally Omitted.
- (ii) Tenant does not materially comply with or observe any provisions of this Lease, not including the payment of Base Rent or any other charges, and the failure to comply continues for seven (7) days after Tenant has received written notice of such failure; unless any such failure cannot reasonably be cured within said seven (7) day period, and Tenant has not commenced in good faith to cure such failure within said seven (7) day period and proceeded with all due diligence to correct such failure thereafter.
- (iii) Tenant makes an assignment for the benefit of creditors.
- (iv) A petition is filed by or against Tenant under the United States Bankruptcy Code or any similar state law (unless the matter was filed against Tenant and is dismissed within thirty (30) days of its filing), or Tenant is adjudicated bankrupt or insolvent.
- (v) A receiver or trustee is appointed for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations under this Lease and is not dismissed within thirty (30) days.
- (vi) Tenant does not take possession of, or deserts, abandons or vacates the Premises.
- (vii) Except as otherwise expressly permitted under this Lease, Tenant assigns this Lease, permits the change of control of Tenant or of any guarantor of Tenant's obligations under this Lease, sublets the Premises or encumbers this Lease.
- (viii) Tenant fails to execute and return a subordination agreement or estoppel certificate within the time periods provided for in this Lease

(b) Landlord's Rights and Remedies Upon Tenant's Default. Upon the occurrence of an event of default, Landlord will have the option to pursue any one or more of the following remedies without notice or demand whatsoever:

- (i) Landlord may enter the Premises without terminating this Lease and perform any covenants or agreement or cure any condition creating or giving rise to a default under this Lease and Tenant agrees to pay to Landlord, on demand, as Additional Rent, the amount expended by Landlord in performing those covenants or agreements or satisfying or observing such condition. Landlord, its agents or employees, will have the right to enter the Premises and such entry and such performance will not terminate this Lease or constitute an eviction of Tenant, in whole or in part, nor relieve Tenant from the continued performance of all covenants, conditions and

agreements of this Lease, and Landlord will not be liable for any claims for loss or damage to Tenant or anyone claiming through or under Tenant.

(ii) Landlord may terminate this Lease and the term created by it, or Landlord may terminate Tenant's right of possession without terminating this Lease. In either event, Tenant will surrender possession of and vacate the Premises immediately and deliver possession of the Premises to Landlord, and Tenant hereby grants to Landlord full and free license to enter into and upon the Premises, in whole or in part, through self-help or with process of law and to reenter and repossess the Premises and to expel or remove Tenant and any other occupant of the Premises or any part thereof and remove any and all property therefrom, using such force as may be necessary as permitted by law, without releasing Tenant, in whole or in part, from Tenant's obligation to pay Base Rent, Additional Rent and all other sums due under this Lease and to perform all of the covenants, conditions and agreements to be performed by Tenant as provided in this Lease which do not pertain to the actual use of the Premises, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to Rent or any other election which may be made by Landlord under Paragraph 15.

(c) Damages. Landlord's damages upon an event of default under this Lease will include, in addition to all other damages set forth in this Lease or permitted at law or in equity, the following:

(i) All Landlord's expenses incurred with respect to the event of default, including, without limitation, reasonable attorneys' fees and the cost of any repairs, renovations and alterations of the Premises.

(ii) All Base Rent and other sums due under this Lease for the remainder of the Term and all damages to which Landlord may be entitled for Tenant's failure to comply with the provisions of this Lease including interest as provided in Paragraph 4(d). Provided, however, that Landlord can only pursue damages based on Base Rent and other sums due against the Guarantor.

(iii) All costs incurred by Landlord to repair any physical damage to the Premises caused by Tenant or Tenant's agents, contractors, invitees, guests, customers or employees.

(iv) All of the above liabilities including the expenses, rents and costs incurred by or due Landlord, as described in (i) – (iii) hereinabove, shall survive the termination of this Lease, termination of the right to possession, the reentry into the Premises by Landlord, or the commencement of any action to secure possession of the Premises.

(d) Effect of Termination or Re-Entry. Institution of forcible entry and detainer or ejectment action to re-enter the Premises will not be construed as an election by Landlord to terminate this Lease. In addition, the termination of this Lease or the recovery of possession of the Premises or the institution of any legal action or the obtaining of a judgment in any legal action will not relieve Tenant from Tenant's obligation to pay the Base Rent and all other sums due under this Lease and to perform the other obligations of Tenant under this Lease for the balance of the Term. Landlord may collect and receive any Rent due from Tenant, and the payment thereof will not constitute a waiver or affect any notice or demand given, suit instituted, or judgment obtained by Landlord, or be held to waive, affect, change, modify, or alter the rights or remedies Landlord may have at law or in equity or by virtue of this Lease at the time of such payment. Landlord will have the right to maintain successive actions against Tenant for recovery of all rents and damages, including, without limitation, an amount equal to all rents and other charges and sums payable under this Lease, as and when those rents and other charges and sums are payable under this Lease, and Landlord will not be required to wait to begin such actions or legal proceedings until the date the Term would have expired.

(e) Reletting. If Landlord obtains possession of the Premises, Landlord shall have no obligation to relet the Premises in order to reduce Tenant's obligations or deficiency under this Lease.

(f) Other Remedies. If an event of default occurs under this Lease, Landlord will have the right to injunctive relief as well as the right to invoke all other remedies afforded Landlord at law or in equity.

(g) Counterclaims. Tenant agrees that, except for compulsory counterclaims, it will not interpose any counterclaim(s) in a summary proceeding for possession, restitution or dispossession of the Premises.

(h) Waiver of Jury Trial. To the extent permitted by law, Tenant hereby waives trial by jury in any action, proceeding or counterclaim brought by either party against the other on any matter whatsoever arising out of, or in any way connected with, this Lease, the relationship of landlord and tenant created hereby, Tenant's use or occupancy of the Premises or any claim of injury or damage.

(i) Subsequent Defaults Surrender. The failure of Landlord to insist upon strict performance by Tenant of any of the covenants, conditions and agreements contained in this Lease will not be deemed a waiver of any of Landlord's rights or remedies and will not be deemed a waiver of any subsequent breach or default by Tenant of any of the covenants, conditions and agreements of this Lease. No surrender of the Premises will be effected by Landlord's acceptance of the keys of the Premises, or by other means whatsoever, unless the same is evidenced by Landlord's written agreement to accept the Premises; and if Landlord does accept surrender of the Premises, Tenant's obligations to pay the Rent and to perform the duties and provisions of this Lease required of Tenant will not be released, but will continue for the remainder of the Term.

(j) Remedies Cumulative. All rights and remedies of Landlord created or reserved under this Lease or otherwise existing at law or in equity are cumulative and the exercise of one or more rights or remedies will not be taken to exclude or waive the right to the exercise of any other. All such rights and remedies may be exercised and enforced concurrently and whenever and as often as Landlord deems desirable.

16. ASSIGNMENT AND SUBLET.

Tenant shall not sublet the Premises or any part thereof, nor assign this Lease without in each case first obtaining the prior written consent of Landlord. As a condition to Landlord's consent to the assignment of this Lease or the subletting of the Premises, Tenant shall, upon demand from Landlord, pay to Landlord: (i) the cost and expense of all credit and other reports pertaining to the assignee or sub Tenant; (ii) a One Thousand and 00/100 Dollars (\$1,000.00) administrative fee; and (iii) all reasonable legal fees and reasonable and actual expenses of Landlord's legal counsel. All such fees and expenses shall be considered Additional Rent.

Tenant shall remain fully liable under this Lease following any assignment or subletting. The acceptance of Rent or Additional Rent from an assignee shall not constitute a release of Tenant from the obligations and covenants in this Lease. Tenant shall remain liable under this Lease until Landlord executes and delivers a written release of such liability.

Landlord shall be entitled to one hundred percent (100%) of any profits realized by Tenant through an assignment or sublease.

Any attempted transfer without Landlord's consent shall be void and shall constitute a breach of this Lease.

Landlord may assign this Lease with prior written notice to but without Tenant's consent and Tenant shall attorn to any such assignee and recognize such assignee as landlord under this Lease.

17. RIGHT OF ACCESS.

Tenant grants to Landlord the right of access to the Premises at all reasonable times and upon reasonable notice (in non-emergency situations) for the purpose of examining the same, or making any alterations or repairs to the Premises that Landlord is required to make hereunder; provided, however, that Landlord shall coordinate such right of access with Tenant and shall not unduly interrupt or unreasonably interfere with Tenant's use of the Premises and Landlord shall give Tenant reasonable notice of its intention to enter the Premises.

18. SURRENDER OF POSSESSION.

Upon expiration or termination of this Lease, whether by lapse of time or otherwise, Tenant will peaceably surrender the Premises to Landlord, including the alterations, improvements and changes, other than Tenant's fixtures remaining the property of Tenant, broom-clean and in at least as good a condition as the Premises were on

the Commencement Date, ordinary wear and tear excepted. Except as otherwise provided, all furnishings, equipment, furniture, trade fixtures and other removable equipment installed in the Premises by Tenant and paid for by Tenant will remain the property of Tenant and will be removed by Tenant prior to expiration or termination of this Lease and Tenant shall repair all damage caused by their removal. Notwithstanding the foregoing, all floor and wall coverings, light fixtures and the complete electrical, plumbing, air conditioning and heating systems, including ducts, diffusers, grills, controls and all other equipment and parts related to such systems, will be and remain in the Premises at all times for the benefit of Landlord. On or before the expiration of the Lease Term, Landlord and Tenant shall schedule a walkthrough of the Premises in order to confirm the Premises are being returned to Landlord as provided hereinabove and Landlord shall retain the right to have Tenant remove any permanent fixtures or equipment installed by Tenant, which removal shall be at Tenants expense In addition, Tenant shall deliver all keys for the Premises to Landlord's office and shall pay all utilities for which Tenant is responsible through the date of termination of this Lease.

19. REPOSSESSION OF TENANT'S PROPERTY BY THIRD PERSONS

Intentionally deleted

20. SUBORDINATION OF MORTGAGES.

This Lease shall, at the option of Landlord, be subject to and subordinate to the lien of any mortgage that may be placed upon the fee title to the land and Buildings of which the Premises herein leased form a part, and Tenant shall, upon demand, execute any instrument necessary to effect such subordination.

Tenant will cooperate with Landlord so that Landlord will be able to sell, transfer or lease the Building or to procure mortgage financing. Within five (5) days after request by Landlord, Tenant agrees to execute and deliver to Landlord estoppel or offset letters as required by Landlord or by Landlord's lenders.

This Lease and all rights of Tenant hereunder are further subject and subordinate to all applicable federal, state and municipal ordinances, laws and statutes, and to all recorded restrictions, covenants, easement and conditions.

21. ESTOPPEL CERTIFICATES.

At any time and from time to time, Tenant agrees, upon request in writing from Landlord, to execute and deliver to Landlord within fifteen business (15) days of its receipt of Landlord's request, for the benefit of such persons as Landlord names in such request, a statement in writing and in substance satisfactory to Landlord certifying to such of the following information as Landlord shall request: (i) that this Lease constitutes the entire agreement between Landlord and Tenant and is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (ii) the dates to which the Base Rent, Additional Rent and other charges hereunder have been paid, and the amount of any security deposited with Landlord; (iii) that the Premises have been completed on or before the date of such Work Letter and that all conditions precedent to the Lease taking effect have been carried out; (iv) that Tenant has accepted possession, that the Lease Term has commenced, that Tenant is occupying the Premises, that Tenant knows of no default under the Lease by Landlord and that there are no defaults or offsets which Tenant has against enforcement of this Lease by Landlord; (v) the actual Commencement Date of the Lease and the Expiration Date of the Lease; and (vi) that Tenant's Premises is open for business and provided such facts are true and ascertainable.

22. NOTICE.

Any notice or consent required or permitted to be given or requested, hereunder shall be in writing and may be given or requested by personal delivery or by certified mail, postage prepaid, return receipt requested, addressed to Tenant or to Landlord at the address set forth herein below or at such other address as either party may designate by notice hereunder to the other party:

Landlord: Bishop Checkmate, LLC
5900 SOM Center Road, Suite 12-334
Willoughby Hills, Ohio 44094

Email: scott@scheelpublishing.com

With a copy to: Irwin M. Frank, Esq.
5910 Landerbrook Drive #200
Mayfield Heights, Ohio 44124
Phone: (440) 446-1100
Email: ifrank@dhplaw.com

Tenant: The City of Willoughby Hills
35405 Chardon Road
Willoughby Hills, Ohio 44094
Email: _____

23. EMINENT DOMAIN.

(a) In the event that the whole of the Premises shall be taken by any public authority under the power of eminent domain, then this Lease shall automatically terminate as of the date possession shall be taken by such public authority and the rent and other charges payable by Tenant hereunder shall be paid up to date with a proportionate refund by Landlord of such rent and other charges as may have been paid in advance. Nothing herein contained shall be construed to deny Tenant the right to be compensated by the acquiring authority in the event of such taking for any interest of Tenant in Tenant's business conducted on the Premises, provided that Tenant shall not be entitled to any compensation from Landlord on account of the leasehold interest of Tenant evidenced by this Lease.

(b) In the event that greater than twenty-five percent (25%) of the Premises shall be taken under eminent domain, Landlord shall have the right to terminate this Lease and declare the same null and void, provided Landlord shall notify Tenant, in writing, of Landlord's intention to do so.

Tenant shall have no claim as to any compensation paid to Landlord, but Tenant may file a claim for its own damages against the public authority pursuing the eminent domain action.

24. RIGHT OF RELOCATION

Landlord reserves the right during the Term of this Lease or any extension thereof to relocate Tenant to a new comparable sized location within the Landlord's contiguous shopping center known as the Shoppes at Willoughby Hills and formerly known as the old Loehmann's Plaza. In the event Landlord shall deem it economically feasible to relocate Tenant, said relocation shall be at Landlord's expense and costs for any moving charges, Tenant improvements to the new premises including security doors, key punch access, exterior signs, special window treatments, and necessary interior modifications for security and operational effectiveness. Any written exercise notice of this Right of Relocation shall be given to Tenant no less than one hundred twenty (120) days prior to the date of relocation.

25. QUIET ENJOYMENT.

Landlord hereby covenants and agrees that if Tenants shall perform all the covenants and agreements herein stipulated to be performed on Tenant's part, Tenant shall at all times during the continuances hereof have the peaceable and quiet enjoyment and possession of the Premises without any manner of hindrance from Landlord or any person or persons lawfully claiming the Premises.

26. HOLDING OVER.

If Tenant remains in possession of the Premises after the expiration of the tenancy created by this Lease and without the execution of a new lease, Tenant will be deemed to be occupying the Premises as a tenant-at-will and subject to all of the provisions of this Lease in effect on the day before the expiration of the tenancy, except

those relating to term and except that Base Rent and Additional Rent will be one hundred forty percent (140%) of the amount payable during the last month of the Term. Notwithstanding the foregoing, if Tenant does not vacate the Premises at the end of the Term or earlier termination thereof, Landlord will be entitled to recover from Tenant all damages suffered by Landlord as a result of Tenant's failure to vacate the Premises as required by this Lease. Landlord or Tenant may terminate such at-will tenancy by giving a minimum of thirty (30) days written notice to the other at any time. Occupancy on the first day of any month shall necessitate rental obligation for the entire month. This Paragraph will not constitute a waiver of Landlord's right of re-entry or any other right or interest reserved by or granted to Landlord under this Lease.

27. DAMAGES AND NON-LIABILITY.

Landlord shall not be liable to Tenant, its officers, agents or employees, for any theft, damage or injury occasioned by failure to keep the Premises heated, cooled or in repair, or for any bodily injury or property damage done or occasioned by or from structural failure or collapse of plumbing, gas, water, or other pipes, or sewage, or the bursting, leaking, or running of any water outlet, container or fixture in, above, upon or about said Building or Premises, nor for injury or damage occasioned by wind, water, snow or ice being upon or coming through the roof, skylight, windows, doors, parking, access drives, road and sidewalk areas, or otherwise, nor for any injury or damage arising from the omission of any of the utilities or service supplied or due to be supplied by Landlord hereunder, or from acts of negligence or willfulness of co-tenant's or other occupants of the same Building or service areas, or any owners or occupants of adjoining or contiguous property except when any such events or circumstances are caused by or due to the act or negligence of Landlord or its representatives.

Additionally, Tenant agrees to indemnify, defend and hold Landlord and his employees and agents harmless from any claims, judgments, damage, penalties, fines, response costs, liabilities and losses, including but not limited to reasonable attorneys' and reasonable environmental consultants' fees, which arise during or after the term of this Lease, from or in connection with the presence, release or threatened release of toxic or Hazardous Substances or wastes, in the soil, air, ground water or sewer, but only to the extent such toxic or Hazardous Substances or wastes are present or may be released to the environment as a result of actions of Tenant, its officers, employees or agents.

28. CAPTIONS.

The captions in this Lease are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Lease.

29. ENTIRE AGREEMENT.

This Lease constitutes the entire agreement between the parties hereto with respect to the lease of the Premises. No provision of this Lease may be amended or added to except in writing signed by the parties hereto or their respective successors in interest. All addenda, exhibits and rules and regulations attached to this Lease are made a part hereof.

Tenant expressly acknowledges and agrees that Landlord and its agents have not made and are not making, and Tenant, in executing and delivering this Lease, is not relying upon any warranties, representations, promises or statements, except to the extent that the same are expressly set forth in this Lease or in any other written agreement which may be made between the parties and expressly refers to this Lease.

30. BINDING EFFECT.

This Lease and all covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto; provided, however, that no assignment by, from, through or under Tenant in violation of any of the provisions hereof shall vest in the assigns any right, title or interest whatsoever.

31. FINANCIAL INFORMATION.

Within ten (10) business days of Landlord's request, Tenant shall supply Landlord with a copy of Tenant's financial statements (including a current balance sheet, income statement and general ledger). Landlord shall request to review Tenant's financial statements not more than once annually. Landlord shall keep all such financial

statements and related information confidential in accordance with the provisions of Paragraph 41 hereof.

32. BROKER.

Tenant warrants and represents that Tenant has dealt with no real estate broker, agent or finder in connection with this transaction. Tenant agrees to indemnify and save Landlord harmless from and against any and all liabilities, costs, causes of action, damages and expenses, including, without limitation, attorneys fees, for any claims made by any real estate broker, agent or finder with respect to this Lease.

33. TIME OF THE ESSENCE.

Time is of the essence in the performance of all covenants, conditions and agreements of Tenant under this Lease.

34. LIMITATION OF LIABILITY.

In the event of a sale by Landlord of the Property, of which the Premises is a part, during the Term, and an assumption by the purchaser of Landlord's obligations hereunder thereafter arising, Landlord shall be immediately and automatically released from further liability under this Lease thereafter arising.

35. RULES AND REGULATIONS.

Tenant and Tenant's agents, employees, licensees and invitees will faithfully observe and strictly comply with the Rules and Regulations appearing at the end of this Lease and made a part hereof as Exhibit D, and with such further Rules and Regulations as Landlord may, after notice to Tenant, from time to time adopt. Nothing contained in this Lease will be construed to impose upon Landlord any duty or obligation to enforce the Rules and Regulations in any other lease as against any other tenant, and Landlord will not be liable to Tenant for violation of the same by any other tenant or the agents, employees, licensee, or invitees of such other tenant.

36. FORCE MAJEURE.

If Landlord is prevented or hindered from timely satisfaction of any provisions set forth in this Lease Agreement because of a shortage of or inability to obtain materials or equipment, strikes, or other labor difficulties, governmental restrictions or delays, fires, casualties, acts of God, or any other cause beyond Landlord's control, Landlord will be permitted an extension of time of performance equal to the number of days during which performance was prevented, hindered or delayed.

37. TENANT AUTHORITY

Each person signing this Lease as an officer, partner or member of Tenant represents to Landlord that that person is authorized to execute this Lease without the necessity of obtaining the signature of any other officer, partner or member, that the execution of this Lease has been authorized by Tenant's board of directors (in the case of a corporation), the partners (in the case of a partnership), or the members or managers (in the case of a limited liability company), as the case may be, and that this Lease is fully binding on the corporation, partnership or limited liability company, as the case may be.

38. SIGNS.

Unless approved by Landlord, Tenant may not erect, install, post or display any signs, advertisements, banners or the like in windows, on the exterior of the Premises or elsewhere outside the Premises. Tenant may, at its expense, install a building-standard sign identifying Tenant's trade name. If Tenant chooses to install a sign, the sign must be approved by Landlord, and the sign must comply with the criteria set forth in Exhibit E. Maintenance of the sign shall be Tenant's responsibility; provided however that Landlord will, at Tenant's expense, maintain the approved signage. All signage will be and remain the property of Landlord. If Tenant vacates the Premises, Tenant will have no further rights with respect to the signage and Landlord may, at its option, remove or alter the signage and any expense associated with repairing damage caused by the signage to the Building or Premises shall be borne by Tenant.

39. GOVERNING LAW.

This Lease shall be governed by the laws of the State of Ohio.

40. ACCORD AND SATISFACTION

No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of rent due shall be deemed to be other than on account of the amount due, and no endorsement or statement on any check or payment of rent shall be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or payment of rent, or pursue any other remedies available to Landlord.

41. PROVISIONS SEVERABLE

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

42. SUBMISSION OF LEASE; NO OPTION.

The submission of this Lease for examination by Tenant does not constitute a reservation of or option for the Premises, and this Lease shall become effective only upon execution and delivery thereof by Landlord and Tenant. This Lease may be changed, waived, discharged, or terminated only by an instrument in writing signed by the party against whom such enforcement of such change, waiver, discharge, or termination is sought. All covenants and agreements of Landlord and Tenant hereunder shall be deemed to be covenants running with the land, and each such covenant and agreement shall be deemed to be and shall be construed as a separate and independent covenant of the party bound by or making the same and shall not be dependent on any other provision of this Lease except as specifically provided for herein.

TENANT:

The City of Willoughby Hills

By: _____

Its: _____

TENANT'S ACKNOWLEDGEMENT:

STATE OF OHIO)
) SS.
COUNTY OF LAKE)

EXHIBIT C

[Work Letter]

Landlord shall complete the following work at Landlord's expense:

Prior to occupancy, Landlord shall cause all existing systems, including but not limited to HVAC, electrical and plumbing to be in good working order. Within ten (10) days following the date that possession of the Premises is delivered to Tenant, the parties shall inspect the Premises together and prepare a punch list of incomplete, damaged or defective Landlord's work. Landlord shall then use commercially reasonable efforts to complete any and all punch list work within thirty (30) days after the said inspection, and Tenant shall permit Landlord's general contractor and subcontractors reasonable access to the Premises for such purpose.

In addition to the above, Landlord shall perform the following work as mutually agreed upon by Landlord and Tenant:

1. Upgrades to the exterior lighting (security) especially by entryway, lobby & doors
2. Replace rear doors with steel security doors with key punch access (key punch access provided by others)
3. Mid-lobby security door with key punch access (key punch access provided by others) remove secondary doors and windows
4. Removal of the deliver tubes drive-thru area
5. Interior modifications for security and operational effectiveness (large windows)
6. Exterior Signs
7. Wire only for hardwire of phone system and fax machine (installation by others)

Tenant shall complete the following work at Tenant's expense:

Tenant shall accept the Premises in "as is" condition, subject to the Landlord's work above. Tenant shall submit a list of the improvements and modifications it plans to make to the Premises for Landlord's prior written approval, which approval shall not to be unreasonably withheld. Tenant shall be responsible for obtaining all city permits and any other governmental approvals for any improvements to be made to the Premises, including the obtaining of an occupancy permit. Upon Tenant vacating the Premises, Landlord shall have the right to request Tenant to restore the Premises to its original condition.

EXHIBIT D

[Rules and Regulations]

ADVERTISING: Landlord shall have the right to prohibit any advertising by any Tenant which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability as a Building for offices, and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

EXERCISE EQUIPMENT: Unless Landlord gives prior written consent, which consent may be withheld, Tenant shall not install or operate any exercise equipment of any kind in or about said Premises.

DISPLAYS: No sign, fixture, advertisement or notice shall be displayed, inscribed, painted or affixed by any Tenant without written consent of the Landlord and then only of such color, size, style and material as shall be first specified by Landlord. No showcase shall be placed in front or in the lobbies or corridors of said Building, and Landlord reserves the right to remove all showcases so placed and all signs other than those above provided for, without notice and at the expense of the Tenant responsible for same.

DOORS AND WINDOWS: The doors, windows and transoms that reflect or admit light into passageways or into any place in said Building shall not be covered or obstructed by Tenant. The water closets and other apparatus shall not be used for any purpose other than for which they are constructed, and no sweepings, rubbish, rags or other substances shall be thrown therein. Any damage resulting to them from such use shall be borne by the Tenant who shall cause it.

FLAMMABLE MATERIALS: No Tenant shall do or permit anything to be done in said Premises or bring or keep anything therein which will in any way increase the rate of fire insurance on said Building, or on property kept therein, or anything which will be dangerous to life or limb or which will tend to create a nuisance or injure the reputation of the Building or obstruct or interfere with the rights of other tenants, or Landlord; or in any way injure or annoy them or conflict with the laws relating to fires or with the regulations of the fire department or with any insurance policy upon said Building or any part thereof, or conflict with any of the rules or orders of the Board of Health or which the statutes of the State of Ohio or of the United States or ordinances of the city in which the Premises are located or use the Premises for any illegal or immoral purposes.

FURNITURE OR EQUIPMENT REMOVAL AND DELIVERIES: Moving or delivery of furniture, trade fixtures and equipment, and freight by or for Tenant shall be done at such times and in such manner as may be required by Landlord. Tenant shall list with Landlord any and all furniture, trade fixtures and equipment, and similar articles to be removed from the Building, and the list must be approved at the Office of the Building before Building employees will permit any article to be removed. Landlord reserves the right, but shall not be obligated, to inspect all articles being moved in or out of the Building; and Landlord shall not be liable to Tenant or to any other person for loss of, or damage to, any furniture, trade fixtures and equipment, or other personal property from any cause. There shall not be used in said Premises, or in the public space of the Building, either by Tenant or by jobbers or others, in the delivery or receipt of merchandise, any hand trucks except those equipped with rubber tires and side guards.

SIGNS: All signs must be installed by Landlord or someone designated by it, and the actual cost thereof shall be paid by Tenant when same shall be done, to the Landlord or person doing the work, and all such signs are so placed at the risk of the Tenant. All signs, etc., shall be erased and removed from the Building and Premises at the end of the tenancy by the Tenant responsible for same, or Landlord may cause such erasing and removing to be done at the expense of such Tenant. No awning or screen shall be installed by Tenant.

LOCKS: No additional locks shall be placed upon any door of the leased Premises and Tenant will not permit any duplicate keys to be made, but if more than two (2) keys for any door are desired, the additional number must be procured from Landlord and paid for by Tenant. Upon the termination of the tenancy herein provided, Tenant shall surrender all keys received by the Tenant.

MACHINERY: Unless Landlord gives prior written consent in each and every instance, Tenant shall not install or operate any steam or internal combustion engine, boiler, machinery, refrigerating or heating device or air-conditioning apparatus in or about said Premises, or carry on any mechanical business therein. All equipment of any electrical or mechanical nature shall be placed in settings which absorb and prevent vibration, noise, or annoyance, or the spillage or leakage of fluids, oils or grease on the floors of said Premises.

NOISES AND OTHER NUISANCES: Tenant shall not make or permit any noise or odor that is objectionable to Landlord or to other occupants of the Building to emanate from said Premises, and shall not create or maintain a nuisance therein, and shall not disturb, solicit or canvass any occupant of the Building, and shall not do any act tending to injure the reputation of the Building. Tenant shall not install or operate any musical instrument, radio or television receiver or similar device in the Building without prior approval of Landlord. The use thereof, if permitted, shall be subject to control by Landlord to the end that others shall not be disturbed or annoyed.

OPEN WINDOWS: If applicable, Tenant must not leave their windows open when it rains or snows and, when leaving Premises at close of business or unoccupied at any time, shall close windows and lock doors and for any default or carelessness in these respects or any of them for damages resulting from such default or carelessness. No windows shall be left open when air-conditioning is in operation.

PUBLIC AREAS: The sidewalks, entrances, passages, and staircases shall not be obstructed or used for any other purpose than ingress and egress.

PUBLIC CORRIDORS: The Tenant shall instruct its agents, employees, or co-tenants not to use the hallways, corridors or stairwells for loitering, lounging or public gathering.

SAFES OR HEAVY ARTICLES: Tenant shall not overload any floor. Landlord may, but shall not be required to, direct the routing and placement of safes and other heavy articles. Safes, furniture and all large articles shall be brought into said Premises or removed therefrom at the Tenant's sole risk and responsibility.

SOLICITORS: Landlord reserves the right, but shall not be held obligated, to exclude or eject from the Building any or all solicitors, canvassers or peddlers, and any persons conducting themselves in such a manner as in the sole judgment of Landlord constitutes an annoyance to any of the tenants of the Building or an interference with Landlord's operation of the Building, or who are otherwise undesirable.

ANTENNAE, ETC.: No electrical wires, call boxes, antennae, aerial wires, cable, satellite dishes or other electrical equipment or apparatus shall be installed inside or outside the Building without approval of Landlord.

EXHIBIT E

[Signage Criteria]

Signage must be approved by Landlord in writing prior to installation. All signage shall conform with applicable governmental regulations and shall be of similar size, shape and color as existing signage at the Property. Tenant shall be responsible for signage permits required by the City of Willoughby Hills, Ohio

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE is entered into as of the ___ day of October, 2018, by and between BISHOP CHECKMATE, LLC, an Ohio limited liability company, whose address is 5900 SOM Center Road, Suite 12-334, Willoughby Hills, Ohio 44094 (hereinafter referred to as "Landlord"), and The CITY OF WILLOUGHBY HILLS whose address is 35405 Chardon Road, Willoughby Hills, Ohio 44094 (hereinafter referred to as "Tenant") and Commercial Academy, LLC (hereinafter referred to as "Guarantor").

WITNESSETH:

WHEREAS, Landlord is the owner of certain real estate located in the County of Lake, City of Willoughby Hills and State of Ohio, and further known as the 27701 Chardon Road, Unit 13, and;

WHEREAS, on October __, 2018, Landlord entered into a Lease ("Lease") with Tenant, for commercial space located at 27701 Chardon Road, Unit 13, Willoughby Hills, Ohio 44092 (hereinafter referred to as "Premises");

WHEREAS, on October __, 2018, Landlord entered into a Lease ("Lease") with Commercial Academy LLC (hereinafter "Guarantor") , for commercial space located in the former National College Premises on Chardon Road, Willoughby Hills, Ohio 44092 (hereinafter referred to as "Commercial Premises");

WHEREAS, Guarantor wishes to insure extra security for the immediate community and its own safety, and as such has agreed to fund, pay and guarantee to Landlord the payment of Tenant's rent obligation as indicated hereinbelow; and

NOW THEREFORE, in consideration of One Dollar (\$1.00) and other good and valuable consideration moving among the parties, the undersigned agree as follows:

1. In consideration of Tenant's establishment of a Police Substation at the above described address, Guarantor hereby agrees to guarantee and pay to Landlord as due, and Landlord agrees to accept, the montly rent due Landlord from Tenant during the original term of the Lease.

2. Tenant and Landlord acknowledge that Landlord shall only look to Guarantor during the original term of the Lease and the five year Renewal Term for the payment of rent as required under the Lease. Further, in the event Guarantor shall default under its lease, discontinue its operation or vacate the National College Premises during the original Lease term, the Tenant is still entitled to occupy the premises and the Landlord shall continue to abate any rental payments from Tenant for the original term of the Lease and the five year Renewal Term.

3. Tenant also acknowledges that in the event the Premises is not longer used as a Police Substation the guarantee of payment by Guarantor shall terminated and be of no further effect.

4. Except as otherwise amended by this Addendum to Lease, the Landlord and Tenant hereto reaffirm and acknowledge all of the terms and conditions contained in the Lease dated October ____, 2018.

5. This Addendum to Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors in interest, and assigns.

STATE OF OHIO)
) SS.
COUNTY OF LAKE)

BEFORE ME, a notary public in and for said county and state, personally appeared the above-named COMMERCIAL ACADEMY LLC, by J. Scott Scheel, its Managing Member, who states that he did sign the foregoing instrument and that the same is his free act and deed, and the free act and deed of said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this ____ day of October, 2018.

NOTARY PUBLIC

IMF/9053 9.24.18