

## SECOND AMENDMENT TO LEASE

This **SECOND AMENDMENT TO LEASE** ("Amendment") dated this \_\_\_\_\_ ("Effective Date"), by and between CITY OF ANN ARBOR, a Michigan municipal corporation ("Tenant"), and 2725/2805 ASSOCIATES, LLC, a Michigan limited liability company ("Landlord"), is entered into for the purpose of amending the Industrial Building Lease, entered into between Landlord's predecessor in interest and Tenant, dated October 2, 2007 (as amended to date, "Lease"). Capitalized terms used herein but not defined shall have the meanings ascribed to them in the Lease.

### WITNESSETH

- A. Tenant is currently leasing approximately 7,735 rentable square feet of space in Suite 200 ("Premises") in the building located at 2805 South Industrial Highway, Ann Arbor, Michigan ("Building") pursuant to the Lease.
- B. Tenant desires to extend the Term of the Lease for a period of Sixty (60) months.
- C. Landlord has agreed to such extension on the terms and conditions contained herein.

### AGREEMENT

**NOW, THEREFORE**, Landlord and Tenant, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, do hereby agree as follows:

- 1) **Extended Term.** Landlord and Tenant hereby extend the Term from September 1, 2023 through August 31, 2028 ("Extended Term").
- 2) **Base Rent.** During the Extended Term, Tenant shall pay Base Rent in the following amounts during the following periods of time, as otherwise set forth in the Lease:

| From     | To        | Monthly     | Annual       |
|----------|-----------|-------------|--------------|
| 9/1/2023 | 8/31/2024 | \$10,996.59 | \$131,959.08 |
| 9/1/2024 | 8/31/2025 | \$11,326.49 | \$135,917.88 |
| 9/1/2025 | 8/31/2026 | \$11,666.28 | \$139,995.36 |
| 9/1/2026 | 8/31/2027 | \$12,016.27 | \$144,195.24 |
| 9/1/2027 | 8/31/2028 | \$12,376.76 | \$148,521.12 |

- 3) **Additional Rent.** Tenant shall continue to pay Additional Rent as set forth in the Lease.
- 4) **Condition of Premises.** Tenant acknowledges that it currently occupies the Premises and accepts the Premises in its AS-IS condition, and agrees that Landlord shall have no obligation to make any improvements or alterations thereto in connection with this Amendment.
- 5) **Notice Address.** Landlord's and Tenant's Notice Addresses as set forth in the Lease shall be deleted and replaced with the following:

LANDLORD:  
2725/2805 ASSOCIATES, LLC  
c/o Oxford Property Management  
Attn: Property Manager  
777 E. Eisenhower Parkway  
Suite 850  
Ann Arbor, MI 48108

AND TO:  
2725/2805 ASSOCIATES, LLC  
c/o Oxford Companies  
Attn: Legal Department  
777 E. Eisenhower Parkway  
Suite 850  
Ann Arbor, MI 48108

TENANT:  
CITY OF ANN ARBOR  
301 E. Huron Street  
Ann Arbor, MI 48104  
Attn: Communications Office

- 6) **Early Termination Option.** Tenant shall have the option for early termination of the Lease effective as of August 31, 2026 (the “**Early Termination Date**”), as though such Early Termination Date were the original termination date set forth in this Amendment, subject to Tenant’s strict compliance with all of the following conditions:
- (a) Tenant delivers irrevocable written notice (“**Tenant’s Termination Notice**”) exercising such option no later than August 31, 2025;
  - (b) No Default exists at the time Tenant delivers Tenant’s Termination Notice;
  - (c) No portion of the Premises is sublet by Tenant as of August 31, 2026;
  - (d) The City of Ann Arbor, the original named Tenant in Section 1.3 of the Lease, remains the Tenant hereunder, and one of the following is true:
    - i) Tenant closes on the purchase of the property located at 3021 Miller Road, Ann Arbor, Michigan by August 31, 2025; or
    - ii) Tenant is relocating to the Ann Arbor City Hall building located at 301 E. Huron Street, Ann Arbor, Michigan (“City Hall”) for a term that extends beyond August 31, 2028, the original termination date set forth in this Amendment;
  - (e) Tenant shall continue to pay all Rent and other charges due under this Lease and comply with each and every term and provision hereof accruing through the Early Termination Date.
  - (f) If Tenant, in violation of this Lease, does not surrender the Premises to Landlord on the Early Termination Date, all obligations under the Lease as amended shall survive such termination, including, but not limited to, the obligation to pay any year-end adjustments and any other Additional Rent or other charges not yet determined or billed prior to the Early Termination Date and the obligation to comply with those provisions relating to the condition of the Premises at the time of surrender.

- (g) If Tenant exercises its option for early termination to relocate to City Hall pursuant to section (6)(d)(ii) and does not relocate to and remain in City Hall through August 31, 2028, then Tenant shall be responsible to pay Landlord a termination fee in the amount equal to the remaining twenty-four (24) months of Base Rent, together with all other amounts due under the Lease, including but not limited to the taxes, insurance and other year-end adjustments and any other Additional Rent attributable to the period through August 31, 2028.

7) **Miscellaneous.**

- (a) Section captions used in this Amendment are for convenience only and shall not affect the construction of this Amendment.
- (b) Except as expressly modified herein, all terms, conditions and provisions of the Lease are hereby ratified and affirmed and remain in full force and effect. In the event of a conflict between the Lease and this Amendment, this Amendment shall control. Tenant acknowledges that as of the Effective Date, Tenant has no claims arising under the Lease against Landlord, nor defense to enforcement of Tenant's obligations under the Lease, and Tenant knows of no default or failure on the part of Landlord under the Lease, and if any such claims, defenses or defaults exist, they are hereby waived by Tenant.
- (c) Tenant has no rights or options to extend the Extended Term of the Lease, terminate the Lease, nor contract or expand the Premises. Tenant has no preferential right of first refusal or first offer on any space in the Building or Project.
- (d) Each person executing this Amendment represents and warrants that it has the full power, authority, and legal right to execute and deliver this Amendment and that this Amendment constitutes the legal, valid and binding obligations of such party, its heirs, representatives, successors and assigns, enforceable against such party or parties in accordance with its terms.
- (e) This Amendment may be executed in counterparts and shall constitute an agreement binding on all parties notwithstanding that all parties are not signatories to the original or the same counterpart, provided that all parties are furnished a copy or copies thereof reflecting the signature of all parties. The parties acknowledge and agree that either party may conduct this transaction by electronic means and that this Amendment may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, in addition to electronically produced signatures, "electronic signature" shall include faxed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.
- (f) No inference in favor of or against any party shall be drawn from the fact that such party has drafted any provision of this Amendment or that such provisions have been drafted on behalf of said party.
- (g) Landlord represents and warrants to Tenant that it has not used the services of any broker or finder other than Oxford Commercial ("Landlord's Broker"), in connection with this Amendment. Tenant represents and warrants to Landlord that

it has not used the services of any broker or finder in connection with this Amendment. Landlord shall pay Landlord's Broker a broker's commission as agreed upon pursuant to a separate written agreement. Except as provided in the preceding sentence, Landlord shall have no obligation or liability whatsoever for any other brokerage commission. Landlord shall indemnify and forever save and hold Tenant harmless from and against claims for brokerage commissions in connection with this Amendment by any person or party claiming by, through or under Landlord.

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Signatures appear on the following page.

**LANDLORD:**

2725/2805 ASSOCIATES, LLC,  
a Michigan limited liability company

By: OXFORD PROPERTY MANAGEMENT, LLC  
Its: Authorized Agent

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

Name: \_\_\_\_\_

Its: Authorized Agent

Date signed: \_\_\_\_\_

**TENANT:**

CITY OF ANN ARBOR,  
a Michigan municipal corporation

**FOR THE CITY OF ANN ARBOR**

By \_\_\_\_\_  
Christopher Taylor, Mayor

By \_\_\_\_\_  
Jacqueline Beaudry, City Clerk

This \_\_\_ day of \_\_\_\_\_, 20\_\_\_

**Approved as to substance**

By \_\_\_\_\_  
Milton Dohoney Jr., City Administrator

**Approved as to form and content**

\_\_\_\_\_  
Atleen Kaur, City Attorney