

COMMERCIAL LEASE – CITY “IN REM” PREMISES

(182452. cao 7/2/12)

LANDLORD: City of Milwaukee (“CITY”).

“TENANT”:

NAME	TYPE ENTITY	PRIMARY PHONE	2 nd PHONE
Melvin C. Johnson	Nathan Enterprises	[REDACTED]	
Jeffrey A. Mack	↓	[REDACTED]	

(Light Manufacturing)

The Tenant named above represents to City that it is the sole occupant.

OFFICERS/MEMBERS OF TENANT:

OFFICER/MEMBER NAME	TITLE	PRIMARY PHONE	2 nd PHONE

“EFFECTIVE DATE” (this is the date of the Lease): 12/21/16

“PROPERTY”:

HOUSE/BLD. NO.	STREET NAME	CITY	ZIP CODE
7350	N 76	Milwaukee	

“PREMISES”: Unit No. 7350 and Description Commercial Warehouse / light manufacturing

RENT per month: \$ 6000 per month. *2 1/2 x 2 7340 N. 76*

 In addition to Rent, outstanding License Fee of \$ 6000 must be paid by 12/31/16,
201 .

1. **CITY TAX FORECLOSURE; MCO 304-50 RISK.** City acquired the Property by property-tax foreclosure, terminating all interest in the Property of the former owner and all those claiming through and under the former owner, including tenants. Wis. Stat. § 75.521 (8) and Milwaukee Code of Ordinances (“MCO”) §§ 304-41 and 304-53. CITY owns the Property. Any prior lease that may have affected the Property was terminated by the tax foreclosure. Tenant understands the former owner may seek vacation of the City’s tax-foreclosure judgment (and City ownership of the Property) under MCO § 304-50 or through the Court. If such vacation is granted by the Court, City ownership of the Property and this Lease shall terminate as of the date of such granting by the Court.

2. **LEASE; MONTH-TO-MONTH.** Tenant leases the Premises on a month-to-month basis per the terms hereof.

3. **RENT.** Tenant shall pay City “Rent” per month in the amount specified above. Rent payments are due on the 1st day of each month, and must be received no later than the 5th day of the month. City provided Tenant with Rent coupons that Tenant must complete and submit along with each Rent payment.

Rent shall be paid by cashier’s check or money order (with name and address) payable to the Redevelopment Authority of the City of Milwaukee, and shall be mailed or hand-delivered, along with a coupon, to:

Redevelopment Authority, Attn: Property Manager
809 North Broadway – 2nd Floor
Milwaukee, WI 53202-3617.

4. **UTILITIES.** Tenant is responsible for all utilities including telephone, cable, satellite, internet services, gas, electric, heating oil. Tenant shall also pay the following utilities if circled:

Sewer
Water

5. **USE; COMPLIANCE WITH LAWS; RULES.** Tenant may only use the Premises for the following Tenant-conducted commercial purposes ONLY: _____.

Tenant must comply with all federal, state and local laws and regulations, and governmental permits and licenses, concerning occupancy and activities at the Premises.

Tenant must possess, and show to City, and maintain in place at Tenant's expense: (a) a duly-issued occupancy permit to lawfully occupy the Premises, properly displayed at the Premises, and (b) any other necessary permit or license to occupy and use the Premises for the purpose stated above, and to conduct that business at the Premises.

Tenant represents to City that Tenant has the following permits/licenses in place concerning the above-described commercial purpose:

LICENSE/PERMIT	ISSUER; DATE OF ISSUE	EXPIRATION	COMMENT
Occupancy permit	# 609253		

Tenant's hours of operation at the Premises are:

Monday: 7:30 AM - 5pm
 Tuesday: _____
 Wednesday: _____
 Thursday: _____
 Friday: _____
 Saturday: 8AM - 12noon
 Sunday: CLOSED

Tenant must comply with City rules which City may, from time to time establish. Initial City rules are:

- (a) No Tenant may use the Premises in such manner that unreasonably interferes with use by another occupant of the Property;
- (b) No pets other than guide animals to assist handicapped.
- (c) Tenant is responsible for trash and garbage disposal;
- (d) Tenant must install, maintain, and monthly test smoke and carbon monoxide monitors;
- (e) Tenant must replace light bulbs, keep Premises clean, litter-free, and graffiti-free;
- (f) Other than ordinary household cleaners, no hazardous or dangerous chemicals or materials.

If City establishes new rules, City shall provide same to Tenant in writing, and Tenant shall comply with same.

6. **PREMISES CONDITION; MAINTENANCE; REPAIR.** City, having acquired the Premises, by tax foreclosure, did not create undesirable conditions existing prior to City ownership. City reserves all rights under Wis. Stat. §§ 75.06 and 75.14 (4) to avoid spending money to keep the Premises in sanitary or slightly condition or to abate nuisances or undesirable conditions. See, also: Wis. Stat. § 704.07 (1), providing that nothing in § 704.07 (titled "Repairs; untenability") affects rights under other provisions of the statutes (e.g. § 75.14 (4), etc.); W-3 exemption from City-compliance with Wis. Stat. § 101.122, Wisconsin Rental Unit Energy Efficiency, per Wis. Stat. § 77.25 (4) and 77.255 (exemption from transfer fee and return) and Wis. Admin. Code § Comm.

67.03 (1)(b)1; and Wis. Admin. Code §ATCP 134.01 (7), rental-dwelling units owned and operated by government are exempt from Wis. Admin. Code Ch. ATCP 134, Residential Rental Practices.

Per Wis. Stat. § 704.07 (2)(bm), Tenant acknowledges having received from City prior to entering into this Lease, **CITY DISCLOSURE NOTICE** regarding building or housing code violations. Tenant also received from City for completion a Wis. Stat. § 704.08 **INFORMATION CHECK-IN SHEET AND QUESTIONNAIRE**.

TENANT AT TENANT'S EXPENSE IS RESPONSIBLE FOR ALL MAINTENANCE AND REPAIRS – providing, however, that City's prior written consent is needed for any structural repair and any repair exceeding \$1,000; and, any maintenance or repair must be done with required permits obtained by Tenant at its expense. Under Wis. Stat. § 704.07 (1), in a commercial, nonresidential lease, landlord and tenant may agree to provisions other than in § 704.07.

Tenant shall promptly notify City of any condition that Tenant deems unsafe, and of any need for structural repairs or repairs estimated to cost more than \$1,000.

If Tenant wishes to have City consider making repairs, call 414-286-5759 (M-F, 8 a.m. to 4:45 p.m.) and after office hours, on weekends, and holidays call 414-286-5100. City may, in its discretion, subject to Wis. Stat. § 75.14 (4), make repairs at City's expense.

7. **DAMAGE**. Tenant is responsible for damage caused by, or attributable to, willful or negligent acts or omissions by Tenant, or anyone claiming by, through, or under Tenant, including invitees and Tenant guests.

8. **ALTERATIONS**. Tenant may not alter the premises without City's prior written consent.

9. **INSURANCE**. Tenant, at its expense, must maintain in place during this Lease insurance meeting City's prior approval, meeting the requirements and minimum coverages outlined in **EXHIBIT A** attached, and Tenant must provide City with evidence of insurance, including a certificate of insurance, meeting the requirements of **EXHIBIT A**.

10. **CITY ACCESS, INSPECTIONS & SHOWINGS**. City, its contractors, agents, and brokers, may enter the Premises with at least **12 hours prior notice** (oral or written). During entry, City may (in its discretion), make repairs that City in its discretion may elect to do (see ¶6 above, Tenant has repair and maintenance duty), inspect, and show the Premises to interested buyers and/or other third parties. Tenant agrees to remove animals from the Premises during City entry and showings. City has the right to enter with no advance notice in case of threat or danger to human safety. Per Wis. Stat. § 704.05(2), if Tenant is absent from the Premises, and City believes entry is necessary to preserve or protect the Premises, City may enter without notice.

11. **NO ASSIGNMENT; NO SUBLETTING**. Tenant may not convey, transfer, assign or sublet this Lease, any right of Tenant hereunder, or any interest in and to the Premises without City's prior written approval.

12. **BREACH**. Tenant is in breach if Tenant fails to perform Tenant's obligations under this Lease as required, or if Tenant commits waste.

13. **TERMINATION**. City may terminate this Lease upon 28 days prior written notice to Tenant *for any reason*, whether Tenant is in default or not.

City may, per Wis. Stat. § 704.17, terminate on less than 28 days notice for Tenant failure to pay rent, or Tenant breach of Lease, or if Tenant commits waste, or per § 704.19 (2)(a)2, if Tenant surrenders the Premises. If Tenant is absent from the Premises for three consecutive weeks without written notice of such absence to City, City may, in its discretion, deem that Tenant has surrendered and abandoned the Premises. And, under Wis. Stat. § 704.19 (2)(a)1, the parties agree that City may terminate this Lease on less than 28 days notice if City determines the Premises are unsafe for occupants.

Nothing contained herein affects City's other rights under law, including, but not limited to: City building-inspection rights; rights under MCO §§200-11-5 and 200-12.5 to placard and order the

closing and discontinuation of occupancy of unsafe structures and units; the right to terminate under Wis. Stat. § 704.17 (1)(c) after notice from law enforcement of an 823.113 nuisance regarding controlled substances or criminal gangs; City rights under Wis. Stat. § 704.27 to recover against Tenant if Tenant remains in possession without City's consent after Lease expiration or termination; and City rights under Wis. Stat. § 799.40 regarding past due rent and eviction.

14. DEPARTURE AT TERMINATION; KEY RETURN; PERSONAL PROPERTY.

Upon Lease termination, Tenant must: vacate the Premises; remove all Tenant personal property; return all keys to City (to DCD Real Estate Section, 809 North Broadway, 2nd floor) in person or by certified mail; repair any damage attributable to Tenant, occupants, Tenant guests or invitees, or Tenant occupancy or departure; and leave the Premises in broom-clean condition. Tenant shall not remove any fixtures or attached equipment, including, but not limited to, furnace, water heater, doors, windows, sinks, toilets, tubs, plumbing fixtures.

Per Wis. Stat. § 704.05 (5)(bf), this is notice to Tenant that City does not intend to store personal property left behind by Tenant. Per Wis. Stat. § 704.05 (5)(a)1, if Tenant removes from the Premises and leaves personal property, City may presume that Tenant abandoned the personal property and City may dispose of same in any manner the City, in its sole discretion, determines appropriate – provided, however, that per § 704.05 (5)(am), if the personal property left behind is prescription medication or prescription medical equipment, City shall hold same for 7 days from the date on which City discovers same prior to disposal. If Tenant leaves behind a “manufactured home,” a “mobile home,” or a “titled vehicle” as defined in Wis. Stat. § 704.05 (b)1, prior to disposing of same, City will give notice of intent to dispose per Wis. Stat. § 704.05 (b)(2).

15. WISCONSIN LAW; 893.80. Wisconsin law applies. City reserves all rights at law and in equity, including, but not limited to, all rights under Wis. Stat. § 893.80.

16. SMOKE & CARBON-MONOXIDE DETECTORS; FIRE SUPPRESSION. Tenant agrees that the Premises are not a “residential building”¹ as defined in either Wis. Stat. §§101.145 or 101.149. Tenant shall supply and maintain, and be responsible for, properly functioning smoke and carbon monoxide detectors, and fire suppression, at the Premises, including fire extinguishers. Tenant agrees to test all detectors at least monthly. Tenant shall abide by all required fire inspections.

17. LEAD-BASED PAINT RISK. Structures built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust, may pose health hazards if not properly managed. Exposure to lead may be harmful – especially to children and pregnant women. As stated in ¶6 above, the City, having acquired by tax foreclosure, did not create undesirable conditions. City provided Tenant the pamphlet, *Protect Your Family from lead in Your Home.*”

18. NOTICES. Except as otherwise expressly provided for herein, notices under this Lease shall be in writing and shall be provided to the respective parties by mailing or facsimile. The City may, alternatively, or in addition, post notices to Tenant on the door to the Premises.

<u>If to CITY:</u>	<u>If to TENANT:</u>
Deborah McCollum-Gathing Property Manager Department of City Development 809 North Broadway, 2 nd Floor Milwaukee, WI 53202 Telephone: (414) 286-5759 Fax: (414) 286-0395	Name _____ Name _____ Address _____ Milwaukee, WI _____ Telephone: _____ Fax: _____

19. DCD; CITY PROPERTY MANAGER. When City consent is required hereunder it shall be sought from the City's Property Manager.

¹ “Residential building” under 101.145 (1)(a) is “any public building which is used for sleeping or lodging purposes and includes any apartment house, rooming house, hotel, children’s home, community-based residential facility or dormitory but does not include a hospital or nursing home.” Under 101.149 (1)(b) it is “a tourist rooming house, a bed and breakfast establishment, or any public building that is used for sleeping or lodging purposes” but does not include a hospital or nursing home.

20. **ENTIRE AGREEMENT; AMENDMENTS.** Tenant has no other interest in the Premises except as a Tenant under this Lease. This Lease is the entire agreement between the parties and all oral statements are of no effect. This Lease may only be amended by written document signed by both City and Tenant.

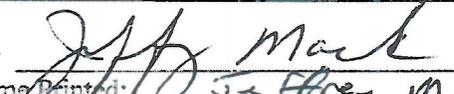
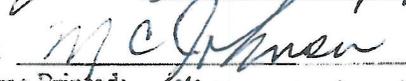
21. **KEYS.** Tenant shall provide to City a duplicate key for all entry locks at the Premises.

22. **SEVERABILITY.** Per Wis. Stat. § 704.02, the provisions of this Lease are severable such that the invalidity or unenforceability of a provision does not affect other provisions of the Lease that can be given effect.

23. **SPECIAL CONDITIONS.** [Insert or write any special conditions here].

PER DNS orders, No Non-operable vehicles should be parked in lot.
Remove all inoperable vehicles

IN WITNESS WHEREOF, City and Tenant, on behalf of themselves and their respective heirs, successors and authorized assigns, enter this Lease as of the Effective Date specified above.

CITY: City of Milwaukee	TENANT
By: 	By: 
Name Printed: <u>Deborah McCollom</u>	Name Printed: <u>Jeffrey Mack</u>
Title: <u>Property Manager</u>	By:  Name Printed: <u>MEL C JOHNSON</u>
Date of signing: <u>1/6/17</u>	Date of signing: <u>12-30-16</u>