

CONTRACT AMENDMENT NO. 2

BETWEEN

BAY MILLS COMMUNITY COLLEGE BOARD OF REGENTS
(AUTHORIZING BODY)

AND

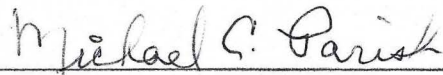
LEELANAU MONTESSORI PUBLIC SCHOOL ACADEMY
(PUBLIC SCHOOL ACADEMY)

CONTRACT AMENDMENT NO. 2

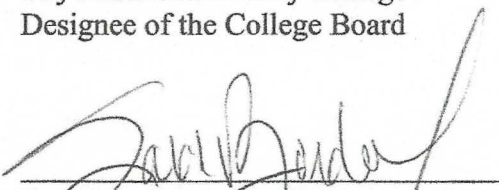
LEELANAU MONTESSORI PUBLIC SCHOOL ACADEMY

In accordance with Article IX of the Terms and Conditions, incorporated as part of the Contract to Charter a Public School Academy and Related Documents, issued by the BAY MILLS COMMUNITY COLLEGE BOARD OF REGENTS ("College Board") to LEELANAU MONTESSORI PUBLIC SCHOOL ACADEMY ("Academy") on July 1, 2018 ("Contract"), the parties agree to amend the Contract by deleting Contract Schedule 6: Physical Plant Description and replacing it with the materials attached as Exhibit A.

This amendment is hereby approved by the College Board and the Academy through their authorized designees. The effective dates for the Temporary Site shall be July 1, 2018 to December 31, 2018. The effective date for the Permanent Site shall be January 1, 2019.


By: Michael C. Parish, President
Bay Mills Community College
Designee of the College Board

Dated: 4-10-19


By: Sarah Bordeaux, Board President
Leelanau Montessori Public School Academy
Designee of the Academy

Dated: 4/9/19

Tab A

Leelanau Montessori Public School Academy

Physical Plant Description

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SCHEDULE 6

PHYSICAL PLANT DESCRIPTION

1. Applicable Law requires that a public school academy application and contract must contain a description of and the address for the proposed physical plant in which the public school academy will be located. See, MCL 380.502(3)(j); 380.503(5)(d).

2. The address and a description of the temporary physical plant (the “Temporary Site”) of the Leelanau Montessori Public School Academy (“Academy”) is as follows:

Address: 310 S. Elm Street
Suttons Bay, Michigan 49682

General Description: The school building is a long-time public school building that contains six classrooms, an office, a gymnasium, and common areas.

Term of Use: Term of Contract.

Configuration of Grade Levels: Preschool through sixth grade.

Name of School District and Intermediate School District:

Local: Suttons Bay Public Schools
ISD: Traverse Bay Area ISD

3. The address and a description of the proposed permanent physical plant (the “Permanent Site”) of the Academy is as follows:

Address: 7401 E. Duck Lake Road
Lake Leelanau, MI 49653

General Description: The Connie Binsfeld Resource Center is approximately 14,420 square feet. It is a one-story brick building built in 1998 that sits on 3.52 acres. The school will feature:

- 1 Toddler room and bathroom
- 2 Primary rooms with bathrooms
- 2 Lower elementary rooms
- 2 Upper elementary rooms
- Shared bathrooms for the elementary rooms
- Large Common room for meetings and lunch
- Large Indoor Playspace / theatre room
- Media center
- Warming Kitchen
- State offices
- Faculty Common space
- Storage
- Outdoor play areas
- Outdoor gardens
- Chicken coops
- Large parking area

The school site plan will include outdoor recreational areas, natural playscapes, farm to table gardens, flower gardens, designated pick-up and drop-off zones, and parking for staff and guests. Noneducation portions of the building are leased to Sharecare of Leelanau, Inc. and Benzie-Leelanau District Health Department from July 1, 2018 up to June 30, 2028.

Term of Use: Term of Contract.

Configuration of Grade Levels: Preschool through sixth grade.

Name of School District and Intermediate School District:

Local: Leland School District
ISD: Traverse Bay Area ISD

5. It is acknowledged and agreed that the following information about the Permanent Site is provided on the following pages, or must be provided to the satisfaction of the College Board, before the Academy may operate as a public school in this state.

- A. Size of building
- B. Floor Plan
- C. Description of Rooms
- D. Copy of lease, note, or mortgage

6. In addition, the Academy and the College Board hereby acknowledge and agree that this Contract is being issued to the Academy with the understanding that the Academy cannot conduct classes as a public school academy in this state until it has obtained the necessary fire, health and safety approvals for the above-described proposed physical facility. These approvals must be provided and be acceptable to the College Board or its designee prior to the Academy operating as a public school. In cases of disagreement, the Academy may not begin operations without the consent of the College Board.

7. If the Temporary Site or Permanent Site described above is not used as the physical facilities for the Academy, then Schedule 6 of this Contract between the Academy and the College Board must be amended pursuant to Article IX of the Terms and Conditions of Contract, to designate, describe, and agree upon the Academy's physical facilities. The Academy must submit to the College Board or its designee complete information about the new site to be actually used. This information includes that described in paragraphs 2, 3 and 4 of this Schedule 6. It is acknowledged and agreed that the public school academy cannot conduct classes as a public school in this state until it has submitted all the information described above, to the satisfaction of the College, and the amendment regarding the new site has been executed.

8. The Academy agrees to comply with the single site restrictions contained in this Schedule 6 for the configuration of grade levels identified at the site. Any change in the configuration of grade levels at the site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions of Contract set forth above.

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

**Michigan Department of Licensing and Regulatory Affairs
Bureau of Construction Codes/Building Division
P. O. Box 30254
Lansing, MI 48909
(517) 241-9317**

**Building Permit No. B043205
Suttons Bay Elementary School
310 Elm Street
Suttons Bay, Michigan
Leelanau County**

The above named building of Use Group E and Construction Type 2B is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Charles E. Curtis

**Charles E. Curtis, Assistant Chief
Building Division**

January 21, 2016

LEASE AGREEMENT
Between Suttons Bay Public Schools (Lessor)
And Leelanau Montessori Public School Academy (Lessee)

This Lease Agreement ("Lease") is made and effective July 1, 2018, by and between Suttons Bay Public Schools, a Michigan general powers school district organized and operating under the provisions of the Revised School Code, MCL 380.1, *et seq.*, as amended, whose address is 500 South Elm Street, P.O. Box 367, Suttons Bay, Michigan 49682 ("Landlord") and Leelanau Montessori Public School Academy, a Michigan public school academy organized and operating under the provisions of the Revised School Code, MCL 380.1, *et seq.*, as amended, whose address is 310 Elm Street, P.O. Box 838, Suttons Bay, Michigan 49682 ("Tenant") (each a "Party" and collectively "the Parties").

WHEREAS, Landlord is authorized to contract with Tenant under Section 11a of the Revised School Code, MCL 380.11a; and

WHEREAS, Landlord owns a school building ("School") along with the related real estate located at 310 Elm Street, Suttons Bay, Michigan 49682; and

WHEREAS, Tenant desires to lease six (6) classrooms within the School, along with office and storage space and shared use of certain common areas (e.g., the gymnasium, hallways and restrooms), which are identified in more detail in Paragraph 1, below; and

WHEREAS, Landlord desires to lease those portions of the School, which are identified in Paragraph 1, below, to the Tenant;

NOW THEREFORE, in consideration of the mutual promises, contained herein and other good and valuable consideration, the Parties mutually agree as follows:

1. **Lease Premises; Personal Property.** The Tenant shall have the right of exclusive use of the following six (6) classrooms at the School commonly known as

Rooms 5-6 (1,347 square feet),

Room 7 (712 square feet),

Room 16 (1,762 square feet),

Room 17 (728 square feet), and

Room 18 (876 square feet),

as well as the non-exclusive / shared use of the Office and storage space, gymnasium, hallways, restrooms, parking lot, and playground, and other common areas (collectively, the "Leased Premises").

2. **Term.** The term of this Lease begins July 1, 2018 and ends December 31, 2018, subject to the default provisions provided in Paragraph 19, below.

3. **Rent and Other Payments.**

A. Tenant shall pay to the Landlord the total amount of Four Thousand Two Hundred Sixty-Nine and 00/100 Dollars (\$4,269) per month, payable on the first day of each month beginning July 1, 2018, with the last payment due December 1, 2018.

B. In addition to the monthly rental payment stated in Section 3.A. above, Tenant shall also be responsible and liable to make the following payments provided in this Section 3.B.

(i) The Tenant shall be responsible for 8.3% of the utility costs for the School, based on the calculation of the Tenant's percentage share of the overall square footage of the school (5425 square feet is 8.3% of the total 65,746 square feet of the school building). The Tenant shall pay its share of the utility costs within 15 calendar days of being invoiced for its share of the utility costs by the Landlord.

(ii) The Tenant shall be responsible for a waste disposal fee of \$100 per month. The Tenant shall pay to the Landlord the \$100 waste disposal fee on the first day of each month, beginning on July 1, 2018.

(iii) The Tenant shall be responsible for the costs of custodial services provided, which shall be based upon the contract costs incurred by the Suttons Bay Public Schools for providing such services for the Lease Premises. The Tenant shall pay the custodial costs within 15 calendar days of being invoiced for its share of the custodial costs by the Landlord.

4. **Use.** The Leased Premises may be used and occupied by Tenant for public school academy and related purposes and for no other purposes without the written consent of Landlord. Tenant shall, at its expense, comply with all applicable ordinances, laws, rules, codes, and regulations, including without limitation, all regulations relating to the safety, occupation and use of the Leased Premises. Tenant shall not cause any rubbish, waste, material, or products to accumulate on the Leased Premises.

5. **Sublease and Assignment.** Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without written Landlord's consent.

6. **Repairs.** During the Lease term, Tenant shall make, at its expense, repairs to the interior of the Leased Premises, including such items as routine cleaning and minor maintenance and repair of floors and walls, doors, windows, fixtures, appliances and furnishing, if any, and other parts of the Leased Premises damaged or worn through normal occupancy. Tenant shall perform all interior and exterior maintenance, repair and replacement upon Lease Premises necessitated by the action or inaction of Tenant, its agents, employees, or invitees. Landlord shall be responsible for the maintenance and repair of all the structural components

shall be responsible for the maintenance and repair of all the structural components of the Leased Premises, including but not limited to roof, walls, HVAC, electrical and plumbing systems.

7. **Alterations and Improvements.** Tenant shall have the right, following Landlord's review of plans and consent (in writing), to remodel, redecorate, and make additions, improvements, and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment, and other temporary installations in and upon the Leased Premises and fasten the same to the Leased Premises. All personal property, equipment, machinery, trade fixtures, and temporary installations, placed or installed on the Leased Premises by Tenant are owned by Tenant unless they are not removed upon the termination of this Lease, in which case they shall become the Landlord's property free and clear of any claim by Tenant. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at its sole expense.

8. **Property Taxes.** Landlord shall be responsible for payment of all property taxes, assessments, impositions or charges, whether general or special, including, but not limited to, any and all real estate taxes and assessments, on the School. Tenant shall be responsible for paying additional real property taxes, if any, resulting because of Tenant's rental or use of the Leased Premises. In the event that real property taxes are imposed upon the Leased Premises as a result of the Tenant's use or possession of same, the Tenant shall reimburse the Landlord for same within thirty (30) days of receipt of an invoice for the real property taxes.

9. **Insurance.**

A. Landlord shall maintain fire and extended coverage insurance in the amount of \$ 10,349,795 on the School. Tenant shall observe all regulations and requirements of any of the underwriters which provide fire and extended coverage insurance concerning the use and condition of the Leased Premises in order to reduce fire and other hazards.

B. Tenant shall maintain a policy or policies of comprehensive broad form general liability insurance for the benefit of Landlord with respect to the Leased Premises in the amount of \$1,000,000 single incident (\$2,000,000 aggregate) with the premiums thereon fully paid on or before due date. Landlord shall be listed as an additional insured on the Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current certificates of insurance evidencing the Tenant's compliance with this paragraph. The policy or policies of comprehensive general liability insurance shall contain language which provides that the Landlord shall be notified, in writing, at least thirty (30) days prior to the cancellation of the policy or policies. In the event of cancellation of coverage, the Landlord may, at its sole option, either (i) obtain a policy or policies of comprehensive general liability insurance, the premium(s) of which shall be considered rent under this Lease and the Tenant shall reimburse

liability insurance, the premium(s) of which shall be considered rent under this Lease and the Tenant shall reimburse the Landlord within thirty (30) days from receipt of an invoice for the premium(s). Tenant shall be responsible for the expense of fire and extended coverage insurance maintained on its personal property, including removable trade fixtures, located in the Leased Premises.

C. To the extent permitted by law, Tenant shall indemnify and hold harmless Landlord, its board of education, board of education members, employees and agents harmless from any and all liabilities, damages, awards, penalties, costs, claims, causes of action and expenses, including but without limitation actual attorneys' fees and other costs incurred by Landlord, arising out of or in related to Tenant's occupancy and/or use of the Leased Premises.

10. **Utilities; Additional Services.** Landlord shall pay when due all charges for water, sewer, gas, and electricity consumed, as well as telephone and internet usage, at the Leased Premises during the term of this Lease. Tenant shall be responsible for its share of costs of such utilities and other services as provided in Section 3.B. of this Lease Agreement. Any additional services requested by the Tenant may be mutually agreed upon in writing by the Parties.

11. **Signs.** With Landlord's written consent, Tenant shall have the right to place at the School, at locations selected by Landlord, any signs upon Landlord's review and which are permitted by state laws or local ordinances, if applicable. Tenant shall, at its expense, repair any damage to the School resulting from the removal of signs installed by Tenant.

12. **Lawn Care and Snow Removal.** Landlord shall be responsible, at its cost, for all lawn care and snow removal at the School, including without limitation removal of snow from all sidewalks.

13. **Rules and Regulations.** Tenant shall abide by all reasonable rules and regulations now and hereafter imposed by the Landlord upon the Tenant as a result of the Tenant's possession and/or use of the Leased Premises. Tenant shall not permit or allow unauthorized drugs, tobacco products, or alcohol of any kind to be used or consumed at the Leased Premises.

14. **Entry.** Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same. However, Landlord shall not unreasonably interfere with Tenant's use of the Leased Premises. Landlord reserves the right to make all further reasonable rules and regulations as in Landlord's judgment may be necessary or desirable for the safety, care, and cleanliness of the Leased Premises.

15. **Parking.** During the term of this Lease, Tenant shall have the use of the automobile parking areas, driveways, and footways, subject to reasonable rules and regulations

for the use of same as prescribed from time to time by Landlord and provided Tenant has advance written notice of the same.

16. **Compliance with Competitive Bidding Requirements.** If Landlord procures equipment, materials, and/or supplies on behalf of Tenant, Landlord shall follow all applicable competitive bidding laws, and Landlord shall not include any additional fees or charges with the cost of equipment, materials, and/or supplies purchased from third parties, except that Landlord may assess actual costs, such as taxes, shipping, permits, installation, and similar expenses.

17. **Damage and Destruction.** If the Leased Premises or any part thereof or any appurtenance thereto is damaged by fire, casualty, or structural defects that the same cannot be used for Tenant's purposes, then Landlord or Tenant shall have the right within ninety (90) days following damage to elect by notice to the other party to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the sole cost of Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials, labor, or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable, or unfit for occupancy or use for Tenant's purposes. In the event the Leased Premises are not damaged to such extent that they are rendered wholly unusable, then Tenant shall continue to occupy that portion of the Leased Premises that are usable, and rent shall abate proportionately to the portion occupied. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, and if no further payments are to be made, any such advance payments shall be refunded to Tenant.

18. **Hazardous Materials.** Landlord is responsible for investigating, cleaning, removing, remediating, or otherwise dealing with any Hazardous Material present at the Leased Premises prior to Tenant's occupation of the site. Tenant has no liability or obligation to investigate, clean, remove, remediate, or otherwise deal with any Hazardous Material present at the Leased Premises prior to Tenant's occupation of the site. To the extent permitted by law, Landlord agrees to indemnify, defend, and hold harmless Tenant and its Board of Directors from any and all liabilities, damages, awards, penalties, costs, claims, causes of action and expenses, including costs and attorney fees' arising from Landlord's use or prior use of Hazardous Materials at the School.

Tenant is responsible for investigating, cleaning, removing, and remediating (or otherwise dealing with any Hazardous Material is uses or otherwise causes to be located in or on the Leased Premises. To the extent permitted by law, Tenant shall indemnify, defend, and hold harmless Landlord and its Board of Education from any and all liabilities, damages, awards,

penalties, costs, claims, causes of action and expenses, including costs and attorney fees', arising from Tenant's use or prior use of hazardous materials at the School.

For purposes of this Lease, "Hazardous Materials" includes, but is not limited to, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in (1) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC 9601, *et seq.*); (2) the Hazardous Materials Transportation Act, as amended (49 USC 1801, *et seq.*); (3) the Resource Conservation and Recovery Act, as amended (41 USC 9601, *et seq.*); (4) the Federal Water Pollution Control Act, 33 USC 1251, *et seq.*; or (5) Michigan's Natural Resources and Environmental Protection Act, Public Act 451 of 1994, as amended (MCL 324.101, *et seq.*), including any regulations adopted or publications promulgated pursuant to the above-referenced statutes, or as otherwise defined, classified, characterized, listed or identified by any other federal, state or local and governmental law, ordinance, rule or regulation.

19. **Default.** If default shall at any time be made by either Party in any of the covenants or conditions to be kept, observed, and performed by a Party under this Lease, and such default shall continue for thirty (30) days after notice of the default, in writing, was provided to the defaulting Party by the non-defaulting Party, without correction or completion thereof, this Lease shall terminate and the non-defaulting Party may pursue all legal and equitable remedies available against the defaulting Party. In the event of a default, the defaulting Party shall pay the non-defaulting Party's litigation costs, including actual attorneys' fees, incurred as a result of the default.

20. **Termination of Lease.**

A. This Lease, and the obligations of both Parties hereunder, shall terminate in the event that Tenant's Charter Contract with its Authorizer, the Board of Trustees of Bay Mills Community College, is revoked, suspended, terminated, or expires by its terms.

B. If this Lease is terminated, suspended, revoked, or expires by its terms, then the Lease Agreement and all obligations of both Parties hereunder shall immediately terminate. Any prepaid rent and security deposit shall be prorated and equitably returned to Tenant within 15 calendar days of such termination.

21. **No Partnership or Joint Programs.** Nothing contained in this Lease is intended nor shall it create a partnership between the Landlord and the Tenant nor shall any programs conducted by the Tenant be deemed to be joint programs of the Landlord and the Tenant.

22. **Quiet Possession.** Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet,

peaceable, and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

23. **Condemnation.** If any legally, constituted authority condemns the Leased Premises or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and the Parties shall account for rent as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority, subject to the provisions of Paragraph 17.

24. **Lease and Building Records.** Upon reasonable advanced written request, all Lease and School building records of Landlord will be made available to Tenant's independent auditor and the CSO.

25. **Notice.** Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

Suttons Bay Public Schools
Attn: Superintendent of Schools
500 South Elm Street
P.O. Box 367
Suttons Bay, Michigan 49682

With a copy to:

Suttons Bay Public Schools
Attn: President, Board of Education
500 South Elm Street
P.O. Box 367
Suttons Bay, Michigan 49682

If to Tenant:

Leelanau Montessori Public School Academy
Attn: President, Board of Directors
310 Elm Street
P.O. Box 838
Suttons Bay, Michigan 49682

The Parties shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

26. **Waiver.** No waiver of any default of Landlord or Tenant hereunder shall be implied from any failure to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term, or condition.

27. **Headings.** The headings used in this Lease are for convenience of the Parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

28. **Successors.** The provisions of this Lease shall extend to, and be binding upon, the Parties and their respective legal representatives, successors and permitted assigns.

29. **Consent.** Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.


30. **Surrender of Leased Premises.** Tenant covenants and agrees to surrender possession of Leased Premises to Landlord upon expiration of term of this Lease, or upon earlier termination of this Lease, in as good condition and repair as the same shall be at the commencement of this Lease, ordinary wear and tear excepted.

31. **Final Agreement.** This Lease terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Lease may be modified or amended only by a further writing that is duly executed by both Parties, and which is reviewed by the Bay Mills Community College Charter School Office before execution. For certain types of non-substantive amendments to this Lease, the Charter School Office director may waive this requirement in writing.

32. **Counterparts.** This Lease may be executed in counterpart originals, each of which when duly executed and delivered shall constitute a single instrument. This Lease may be executed in person, by facsimile, or by electronic signature sent by email.

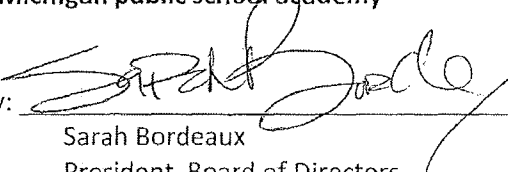
IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

SUTTONS BAY PUBLIC SCHOOLS,
a Michigan general powers school district

By: 
Michael Carmean
Superintendent of Schools

Dated: June 18, 2018

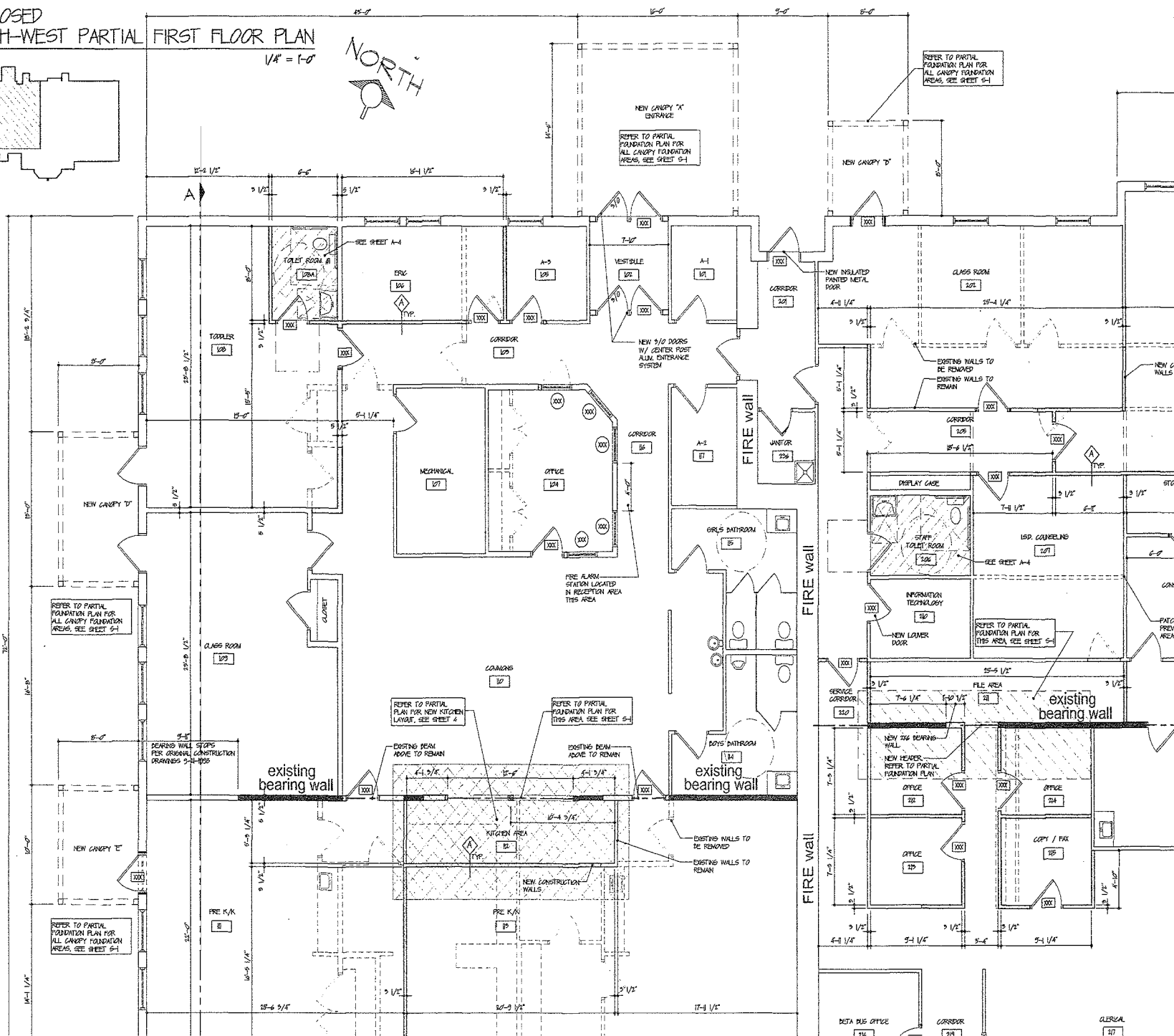
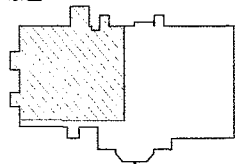
LEELANAU MONTESSORI PUBLIC SCHOOL ACADEMY,
a Michigan public school academy

By: 
Sarah Bordeaux
President, Board of Directors

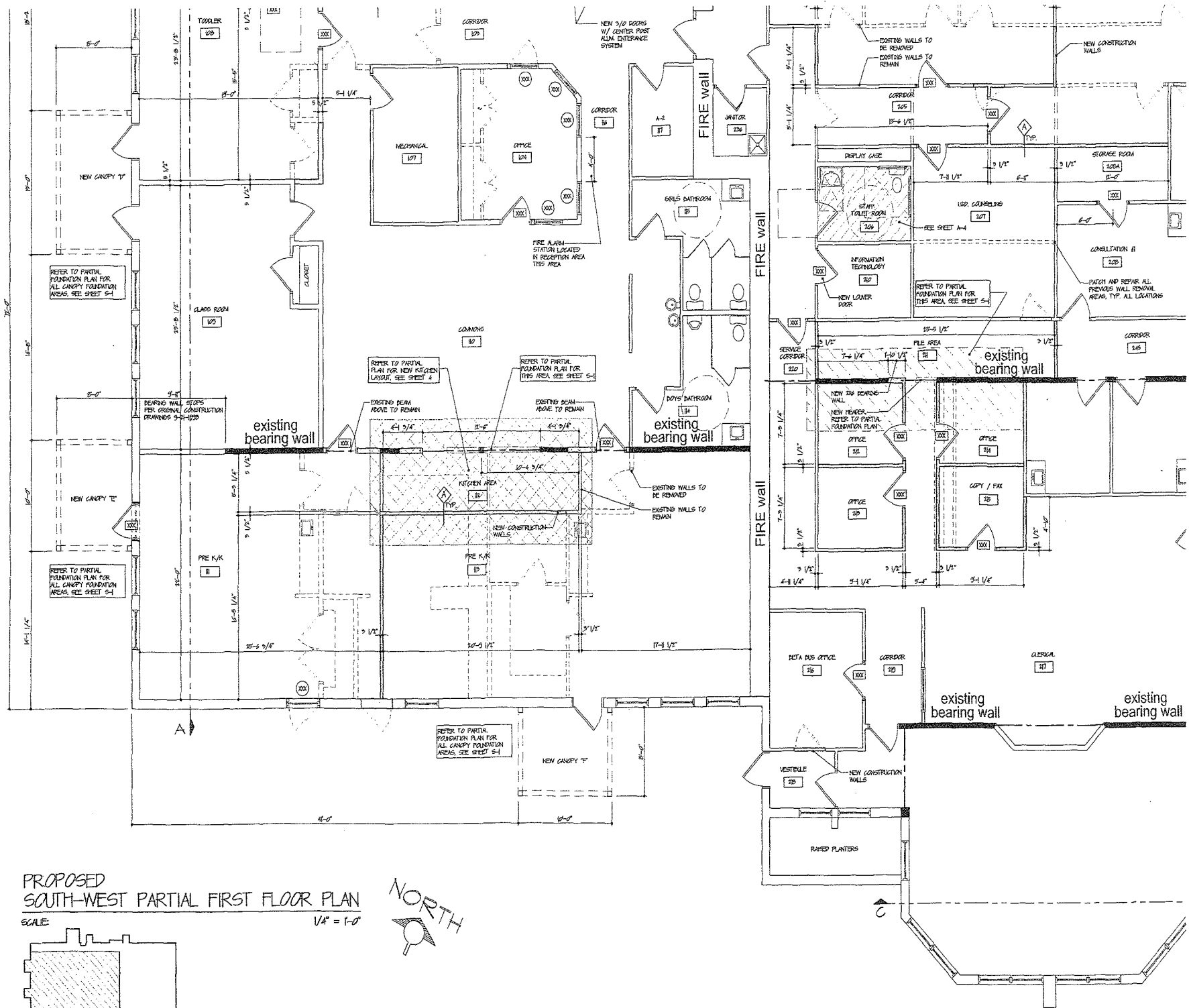
Dated: June 18, 2018

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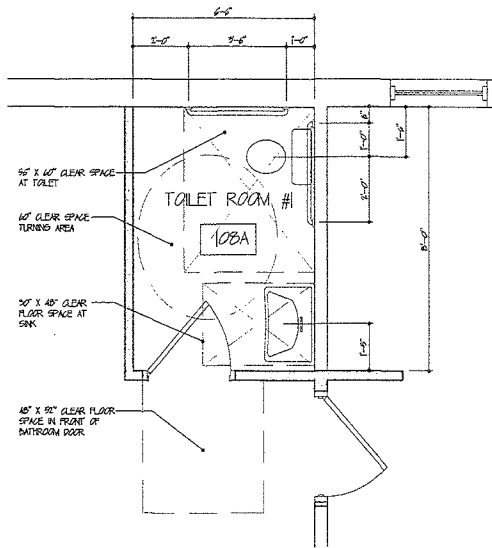
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BASE CAD DRAWINGS PROVIDED BY STEVE FERINGA, ARCHITECT



A-2		DATE: 6/14/10 JOB NO: 174-17	LEELANAU MONTESSORI PUBLIC SCHOOL ACADEMY PARTIAL FIRST FLOOR PLAN	MICHAEL H. KASUSKE, LLC. 1-231-347-9034 W.C. FULLER, ARCHITECT 1-231-758-4702
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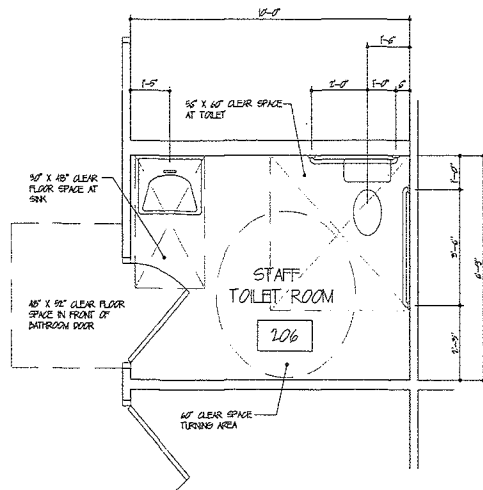


ENLARGED BARRIER FREE BATHROOM PLAN

SCALE

1/2" = 1'-0"

REFER TO HATCHED AREA ON FLOOR PLAN SHEET 'A-1'



ENLARGED BARRIER FREE BATHROOM PLAN

SCALE

1/2" = 1'-0"

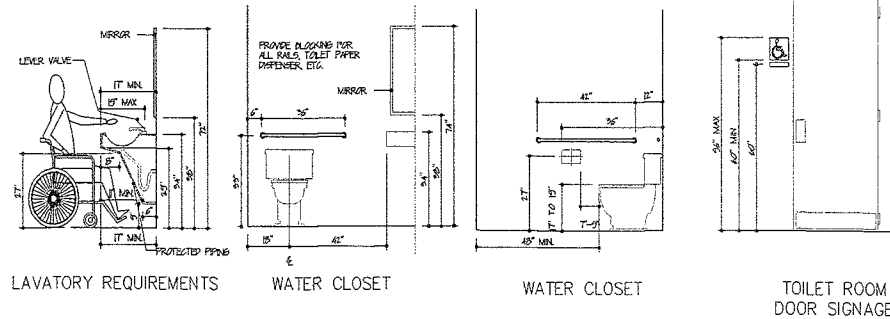
REFER TO HATCHED AREA ON FLOOR PLAN SHEET 'A-1'



BARRIER FREE NOTES:

1. DOOR SIZE: WIDTH - 32" MIN. CLEAR. HEIGHT - 80" MIN. CLEAR.
2. THRESHOLDS: 1/2" MAX. (3/4" MAX. AT RESIDENTIAL SLIDING DOORS).
3. HARDWARE: HANDLES, PULLS, LATCHES, LOCKS, AND OTHER OPERABLE PARTS ON ACCESSIBLE DOORS SHALL HAVE A SHAPE THAT IS EASY TO GRASP WITH ONE HAND AND DOES NOT REQUIRE TIGHT GRASPING, PINCHING, OR TWISTING OF WRIST TO OPERATE. HEIGHT - 48" MAX. ABOVE FINISHED FLOOR. DOOR VENER - 48" MIN. ABOVE FIN. FLOOR (FOR BARRIER FREE UNITS).
4. LANDING: EXTERIOR DOOR - 6" WIDE BY 8" LONG PERPENDICULAR TO DOOR OR 9" BEYOND DOOR SWING. 5" MIN. LATCH SIDE CLEARANCE PARALLEL TO DOOR WALL. POWER OPERATED DOOR - 5' BY 5' LANDING WITH NO CLEARANCES.
5. DOOR ARRANGEMENT: SPACE BETWEEN DOORS IN SERIES SHALL NOT BE LESS THAN 84" (DOORS IN CLOSED POSITION).
6. DOOR CLOSERS: DOOR CLOSERS SHALL BE ADJUSTED SO THAT FROM AN OPEN POSITION OF 90 DEGREES, THE TIME REQUIRED TO MOVE THE DOOR TO AN OPEN POSITION OF 15 DEGREES WILL BE 5 SECONDS.
1. COUNTERS (REGISTRATION OR COUNTERS): 34" MIN. LENGTH. 36" MAX. HEIGHT AFF.
2. PROTRUDING OBJECTS: 4" MAX. PROTRUSION FROM WALL BETWEEN 27" TO 80" AFF.
1. SERVICE: ALL TOILET ROOMS SHALL BE IDENTIFIED WITH SYMBOL OF COMPLIANCE AND A TACTILE SIGN. SYMBOL OF COMPLIANCE - 40" AFF. MIN. 36" AFF. MAX. TACTILE SIGN - 40" AFF. TO CENTERLINE OF SIGN ON LATCH SIDE JAMB.
2. WATER TEMPERATURES: 120 DEGREES F MAXIMUM AT OUTLET.
3. PIPING: EXPOSED HOT WATER AND DRAIN PIPES UNDER LAVATOIRES AND SINKS SHALL BE INSULATED OR OTHERWISE CONSIDERED TO PROTECT AGAINST CONTACT.
4. SURFACES: THERE SHALL BE NO SHARP OR ABRASIVE SURFACES UNDERNEATH LAVATOIRES AND SINKS.
5. MANEUVERING CLEARANCES: EACH TOILET, BATH, AND SHOWER ROOM SHALL HAVE A CLEAR SPACE NOT INFRINGED BY ENTRANCE OR EXIT DOORS AS FOLLOWS: 48" MAX. DIA. CIRCLE OR 60" TIE.
6. GRAB BARS: 1 1/2" TO 1 3/4" DIA. OR WIDTH OF GRIPPING SURFACES WITH 1 1/2" SPACE BETWEEN WALL AND GRAB BAR. FITTINGS SHALL NOT ALLOW GRAB BAR ROTATION. GRAB BARS AND WALL OR OTHER SURFACES ADJACENT TO GRAB BARS SHALL BE FREE OF SHARP OR ABRASIVE ELEMENTS. LINES SHALL HAVE A RADIUS OF 1/8" MIN.

ALLOWABLE STRESS IN BENDING, SHEAR, AND TENSION SHALL NOT BE EXCEEDED FOR MATERIALS USED WHEN A VERTICAL OR HORIZONTAL FORCE OF 250 LBS. IS APPLIED AT ANY POINT ON THE GRAB BAR SEAT, FASTENER MOUNTING DEVICE OR SUPPORTING STRUCTURE.



BARRIER FREE COMPLIANCE:

AT THE DATE OF ISSUANCE THE CONSTRUCTION DOCUMENTS SHALL CONFORM TO THE CURRENT, AMENDED REQUIREMENTS OF THE ADOPTED MICHIGAN BUILDING CODE, AND PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA).

ALL CONSTRUCTION AND MATERIALS SHALL CONFORM TO ALL APPLICABLE CURRENT FEDERAL, STATE AND LOCAL CODES AND REGULATIONS

A-4

REVISIONS:
DATE: 6/14/18
JOB NO: 1721-T

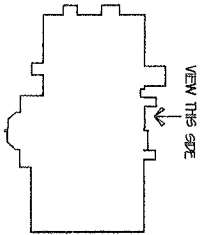
LEELANAU MONTESSORI
PUBLIC SCHOOL ACADEMY

BARRIER FREE PLANS AND DETAILS

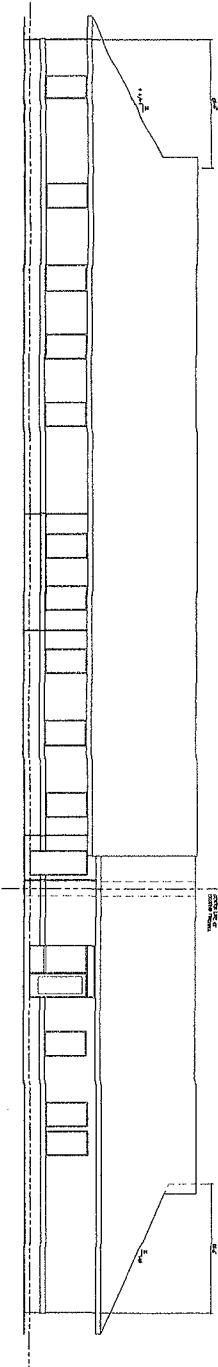
MICHAEL H. KASUSKE, LLC.
1-231-347-9034

W.C. FULLER ARCHITECT
1-231-758-4702

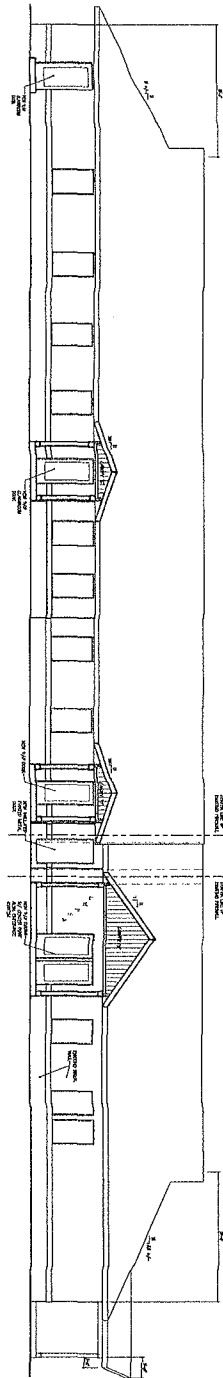




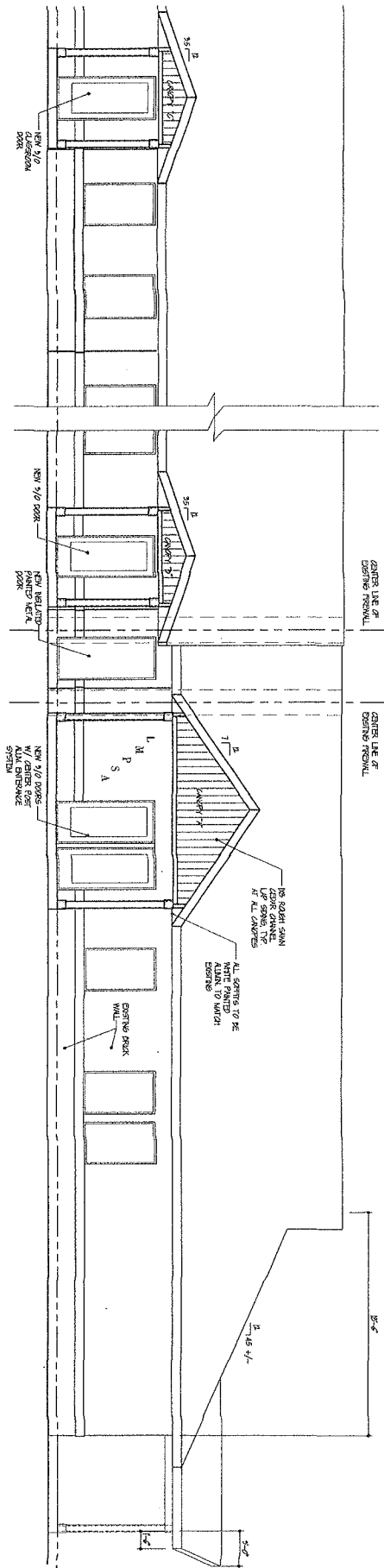
VIEW THIS SIDE
EXISTING FULL NORTH ELEVATION
SCALE: 1/8" = 1'-0"



FULL PROPOSED NORTH ELEVATION
SCALE: 1/8" = 1'-0"



PARTIAL PROPOSED NORTH ELEVATION
SCALE: 1/8" = 1'-0"



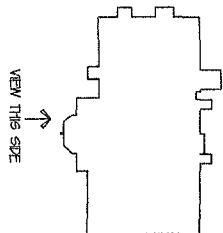
MICHAEL H. KASUSKE, LLC.
1-231-347-9034
W.C. FULLER, ARCHITECT
1-231-758-4702

LEELANAU MONTESSORI
PUBLIC SCHOOL ACADEMY
NORTH ELEVATIONS

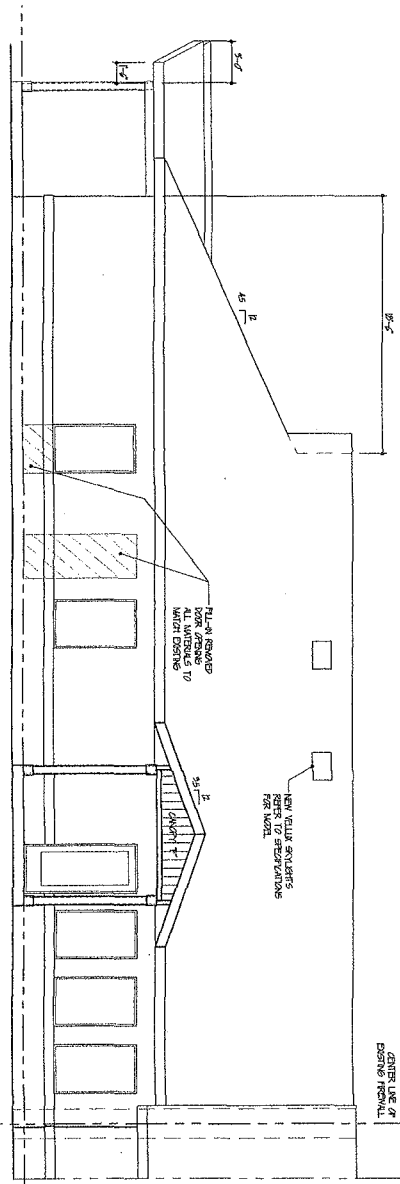
DATE:
6/1/10
JOB NO.
171-17

REVISIONS:
FINAL PLANS 6/24/10

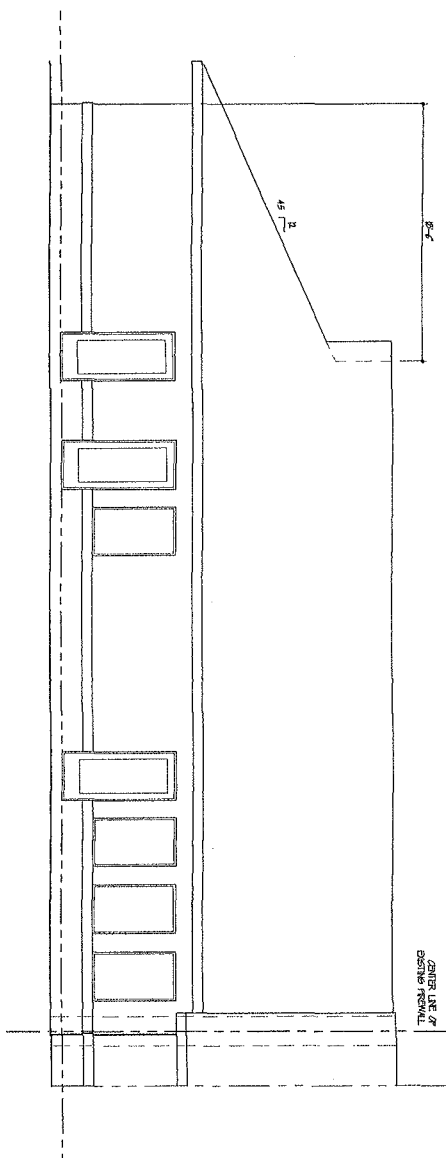
A-5



VIEW THIS SIDE



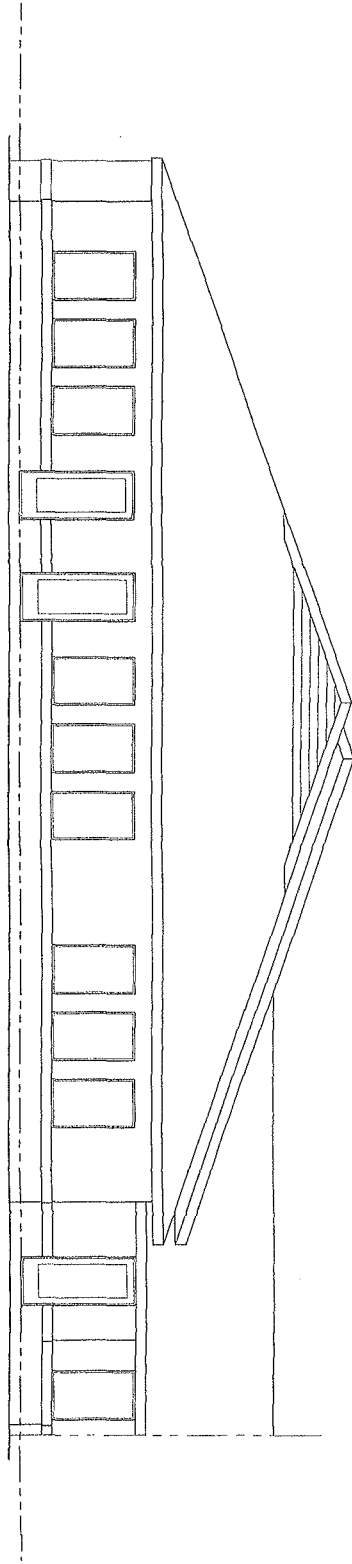
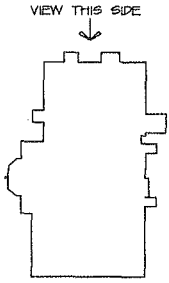
PARTIAL PROPOSED SOUTH ELEVATION
SCALE 1/8" = 1'-0"



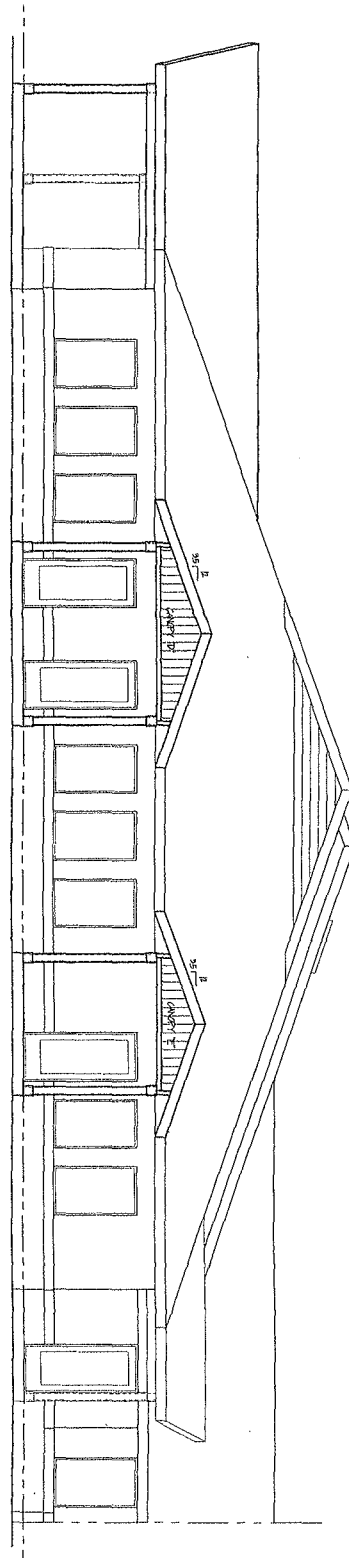
PARTIAL EXISTING SOUTH ELEVATION
SCALE 1/8" = 1'-0"

BASIS CAD DRAWINGS PROVIDED BY STEVE FERNICA, ARCHITECT

	<p>MICHAEL H. KASUSKE, LLC. 1-231-347-9034</p> <p>W.C. FULLER, ARCHITECT 1-231-758-4702</p>	<p>LEELANAU MONTESSORI PUBLIC SCHOOL ACADEMY</p> <p>SOUTH ELEVATIONS</p>	<p>DATE: 6/4/18</p> <p>JOB NO. 1721-17</p>	<p>REVISIONS:</p> <p>PRVL PLANS 6/14/18</p>	<p>A-6</p>
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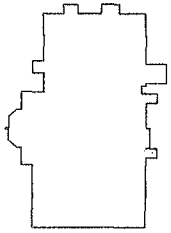
PARTIAL EXISTING WEST ELEVATION
SCALE 1/8" = 1'-0"



PARTIAL PROPOSED WEST ELEVATION
SCALE 1/8" = 1'-0"

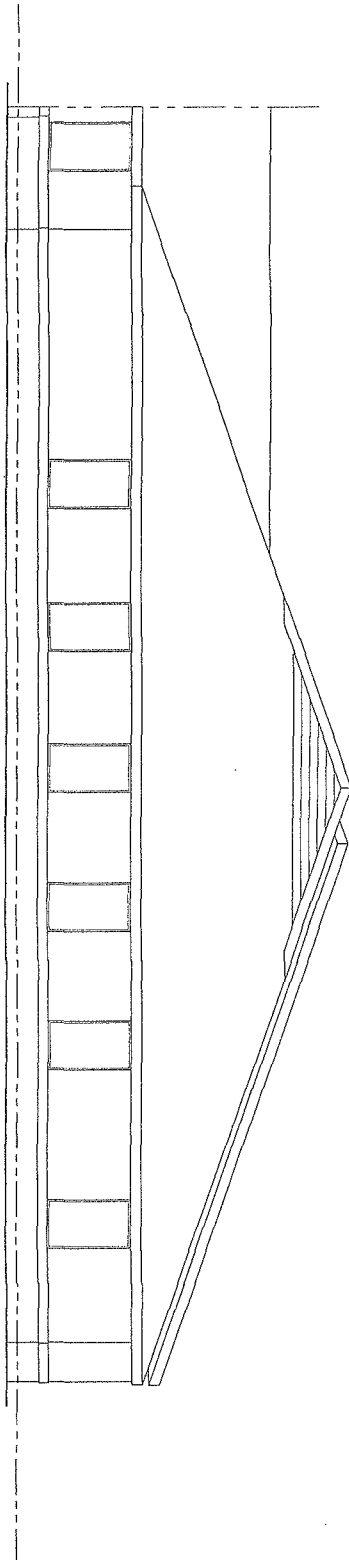
BASE CAD DRAWINGS PROVIDED BY SUE PERNO, ARCHITECT

	MICHAEL H. KASUSKE, LLC. 1-231-347-9034	LEEANAU MONTESSORI PUBLIC SCHOOL ACADEMY	DATE: 6/11/10	REVISIONS: FINAL PLANS 6/11/10	A-7
	W.C. FULLER, ARCHITECT 1-231-758-4702	WEST ELEVATIONS	JOB NO. 1721-17		

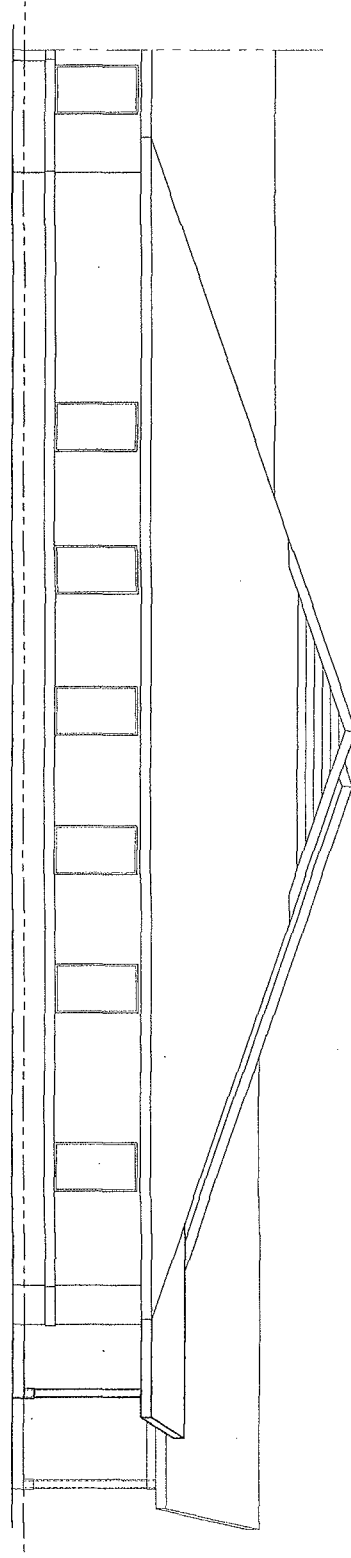


VIEW THIS SIDE

PARTIAL EXISTING EAST ELEVATION
SCALE 1/8" = 1'-0"



PARTIAL PROPOSED EAST ELEVATION
SCALE 1/8" = 1'-0"



BASE CAD DRAWINGS PROVIDED BY STEVE TERRINGA, ARCHITECT

	<p>MICHAEL H. KASUSKE, LLC. 1-231-347-9034</p> <p>W.C. FULLER, ARCHITECT 1-231-758-4702</p>	<p>LEELANAU MONTESSORI PUBLIC SCHOOL ACADEMY</p> <p>EAST ELEVATIONS</p>	<p>DATE: 6/1/10</p> <p>JOB NO. 1721-17</p>	<p>REVISIONS:</p> <p>FWL PLNS 6/24/10</p>	<p>A-8</p>
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Leelanau County Department of Building Safety
8527 Government Center Dr. Suite 109
Suttons Bay, MI 49682
Phone: (231) 256-9806 FAX: (231) 256-8333

Certificate of Occupancy

009.024-003-30

Applicants name and address:


Fuller William C, Architect
11328 S Cedar Rd
Cedar MI 49621

Owners name and address:

LEELANAU MONTESSORI
7401 E DUCK LAKE RD
LAKE LEELANAU, MI 49653

This is to certify that this building or structure has been inspected and constructed in accordance with the building permit and found to be in compliance with the permit, the code, and other applicable laws and ordinances.

Issued for: Commercial, Add/Alter/Repair
Site address: 7401 E DUCK LAKE RD
Building code in effect: 2015 MI REHABILITATION
Building permit number: PB18-0536
Construction Type: VB
Use and occupancy classification: B, E
Occupant Load: 0
Automatic sprinkler system: N
Special stipulations and conditions:



Paul Hunter
Building Official

12/14/2018

Date

Certificate Number: OC18-0490

INSPECTION REPORT
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
Bureau of Fire Services
FIRE MARSHAL DIVISION

FACILITY NAME LEELANAU MONTESSORI SCHOOL	INSPECTION DATE 01/09/2019	COUNTY LEELANAU	RECORD ID PR2018BFS-003258
ADDRESS 7401 E DUCK LAKE RD RD	FACILITY TYPE FireServices - Schools		Rules/Codes School/College 2016
CITY, STATE ZIP CODE LAKE LEELANAU, MI 49653	FACILITY REPRESENTATIVE Eric Royston	FACILITY PHONE 231-256-0222	
INSPECTION TYPE Final	FACILITY E-MAIL roystone@leelanaumontessori.org		LICENSE NUMBER

A final fire safety inspection was completed this date. There were no deficiencies. Full approval.

CC:

FIRE SAFETY CERTIFICATION Approved	
INSPECTING OFFICIAL Michael Mongar	
ADDRESS: 3101 TECHNOLOGY Blvd., SUITE H Lansing, MI 48910	
TELEPHONE: 517-643-3881	
E-MAIL: mongarm@michigan.gov	
The Department of Licensing and Regulatory Affairs will not discriminate against any individual or group because of race, sex, religion, age, national of origin, color, marital status, disability, or political beliefs. If you need assistance with reading, writing, hearing, etc., under the American Disability Act, you may make your needs known to the agency.	Authority: PA207 of 1941, as amended Completion: Mandatory



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

January 11, 2019

Eric Royston
Leelanau Montessori Public School Academy
P.O. Box 838
Suttons Bay, MI 49682

RE: Application #: DC450394353
Leelanau Montessori Public School Academy
7401 E Duck Lake Rd
Lake Leelanau, MI 49653

Dear Mr. Royston:

Attached is the Original Licensing Study Report for the above referenced facility. The study has determined substantial compliance with applicable licensing statutes and rules. Therefore, an original license with a maximum capacity of 49 is issued.

Please review the attached documentation for accuracy and contact me with any questions. In the event that I am not available and you need to speak to someone immediately, please contact the local office at (231) 922-5309.

Per MCL 722.113g, this report must be filed in your Licensing Notebook.

Sincerely,

Pamela Walker, Licensing Consultant
BCHS/Child Care Licensing Division
701 S. Elmwood Ave, Suite 11
Traverse City, MI 49684
(231) 357-5352

enclosure

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF COMMUNITY AND HEALTH SYSTEMS
LICENSING STUDY REPORT**

I. IDENTIFYING INFORMATION

License #:	DC450394353
Applicant Name:	Leelanau Montessori Public School Academy
Applicant Address:	P.O. Box 838 310 Elm Street Suttons Bay, MI 49682
Applicant Telephone #:	(517) 927-1930
Licensee/Designee:	Eric Royston, Designee
Name of Facility:	Leelanau Montessori Public School Academy
Facility Address:	7401 E Duck Lake Rd Lake Leelanau, MI 49653
Facility Telephone #:	(231) 271-8609
Application Date:	05/22/2018
Capacity:	49
Program Type:	CHILD CARE CENTER

II. METHODOLOGY

05/22/2018	Enrollment
12/17/2018	Inspection Completed On-site
12/17/2018	Application Incomplete Letter Sent
01/02/2019	Inspection Completed On-site
01/02/2019	Contact -Document Received during on-site inspection Equipment inventory list
01/02/2019	Contact - Document Received via email Updated Handbook and PD Plan
01/03/2019	Inspection Completed-Env. Health: A
01/03/2019	Contact - Document Received
01/09/2019	Inspection Completed-Fire Safety : A CCC-2018-187: Approved - The three classrooms and general gathering area on the east side of the 2-hour fire wall have been approved and meet all child care fire safety rules.
01/10/2019	Application Incomplete Letter Sent
01/10/2019	Contact - Document Received
01/11/2019	Inspection Completed-Env. Health: A
01/11/2019	Contact - Document Received
01/11/2019	Application Complete/On-site Needed
01/11/2019	Inspection Completed BCAL Full Compliance

III. DESCRIPTION OF FINDINGS & CONCLUSIONS

A. Description of Facility

Approved space: This center is located in Lake Leelanau and is comprised of three classrooms. The center will offer care for children 12 months of age through 12 years.

The following rooms are approved for child care use:

- **Sprout Classroom (toddlers):** This classroom is 18.9 ft. x 23.6 ft. minus 8.4 ft x 7.4 ft. (bathroom), providing a total of 384 square feet. Based on 50 square feet

per child, this allows a maximum room capacity of 8 children aged 12 months to 2.5 years.

- **Cedar Classroom (preschoolers combined with school-agers):** This classroom is 21.8 ft. x 25.6 ft., providing a total of 558 square feet. Based on 35 square feet per child, this allows a maximum room capacity of 16 children aged 2.5 years through 12 years. **Note:** The licensee designee understands that if there are children of mixed ages present in the same room that the ratio and group size is determined by the age of the youngest child.
- **Sugar Maple Classroom (preschoolers combined with school-agers):** This classroom is 40.1 ft. x 21.8 ft., providing a total of 874 square feet. Based on 35 square feet per child, this allows a maximum room capacity of 25 children aged 2.5 years through 12 years. **Note:** The licensee designee understands that if there are children of mixed ages present in the same room that the ratio and group size is determined by the age of the youngest child. The licensee designee also understands that if there are children under 3 years of age, the maximum group size and capacity of the classroom is 16.

The following well-defined space is approved as additional child use space and was not used to determine the center's total capacity:

- **Common Area with Kitchenette:** This well-defined space is 32.4 ft. x 19.8 ft. (common area) plus 20.6 ft. x 3.3 ft., providing a total of 710 square feet. Based on 35 square feet per child, this allows for a maximum room capacity of 20 children 2.5 years through 12 years. Based on 50 square feet per child, this allows for a maximum room capacity of 14 children aged 12 months to 2.5 years. **Note:** The licensee designee understands that if there are children of mixed ages present in the same room that the ratio and group size is determined by the age of the youngest child.

The center is approved for a total of 49 children, 12 months through 12 years.

Equipment:

The classrooms have a varied supply of developmentally appropriate equipment to support physical, social, emotional, and cognitive development, imaginative play, language and literacy experiences, creativity, and early math/science experiences. There is an adequate amount of equipment to support the capacity in each classroom.

Number of sinks and toilets: The center has a total of 4 toilets, 1 urinal, and 8 hand washing sinks. This supports the center's capacity.

Outdoor play area - location, fenced or not, water hazards: The partially fenced outdoor play area is located to the left of the center. There are no water hazards directly adjacent to the outdoor play area; however, there is a small creek located at the front of the property. **Note:** the outdoor play area is completely fenced minus the gates which are expected to be installed once the weather permits.

Documentation if a lead hazard risk assessment was required and the results: The building was built in 1998, therefore, a lead hazard risk assessment is not required at this time.

Documentation of playground safety: The outdoor play area does not consist of any elevated equipment or play structures; therefore, a playground inspection is not required at this time.

B. Program Description

Ages of children served: This program will serve children ages 12 months through 12 years.

Proposed days and hours of operation: This program will operate from 7:30am to 5:30pm, Monday through Friday.

Full or part time (AM or PM sessions or both): Children may attend full time or part time, including half day sessions.

Other program components - transportation, swimming, food service:
Transportation is not a program component offered at this time.

Swimming is not a program component offered at this time.

Food service is not a program component offered at this time. Parents will provide all meals and snacks for their children.

Name of program director and under what rules the program director is qualified:
Arden Wilson is qualified as program director under 8113(9)(d) and (16).

Is there a central administrator that meets the administrative requirement?
Eric Royston is qualified as the central administrator.

Explanation of variance(s), if any: There are no variances.

C. Rule/Statutory Violations

There are no rule violations.

IV. RECOMMENDATION

I recommend issuance of an original license to this child care center.

Pamela Walker

01/11/2019

Pamela Walker
Licensing Consultant

Date

Approved By:

Katrice Sweet

01/11/2019

Katrice Sweet
Area Manager

Date



230/0801397274

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$1,092,000.00	06-22-2018	06-22-2039	801397274			***	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Leelanau Montessori
310 S. Elm St., P.O. Box 838
Suttons Bay, MI 49682

Lender: CHEMICAL BANK
TC Community Bank - 4103
333 East Main Street
Midland, MI 48640
(231) 271-5993

Principal Amount: \$1,092,000.00**Date of Note: June 22, 2018**

PROMISE TO PAY. Leelanau Montessori ("Borrower") promises to pay to CHEMICAL BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Million Ninety-two Thousand & 00/100 Dollars (\$1,092,000.00), together with interest on the unpaid principal balance from June 22, 2018, until paid in full.

PAYMENT. Subject to any payment changes resulting from changes in the index, Borrower will pay this loan in accordance with the following payment schedule:

12 monthly consecutive interest payments, beginning July 22, 2018, followed by 239 monthly consecutive principal and interest payments in the initial amount of \$8,073.16 each, beginning July 22, 2019 and one final principal and interest payment of \$8,072.81 on June 22, 2039. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled and that the index does not change; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Note. The interest rate shall be fixed at 6.30% for the first five years which is calculated as: index of 2.80% plus 350 basis points. This rate will be in effect until June 22, 2023, at that time the rate will be adjusted using the method listed in the "VARIABLE INTEREST RATE" paragraph below. This rate change will take place every 5 years thereafter as described in the "FIVE YEAR INTEREST RATE REPRICE PROVISION" paragraph below.

Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest, then to principal, and then to any late charges.

PAYMENT ADJUSTMENT. Lender must adjust the payment amount at least annually as needed to amortize principal over the remaining term of the note.

FIVE YEAR INTEREST RATE REPRICE PROVISION. The interest rate will change every five years from loan anniversary date. Rate change will be calculated using the weekly average yield on United States Treasury securities adjusted to a constant maturity of 5 years as published at the federalreserve.gov website (the "Index") at that time plus 350 bps.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 5 years as published at the federalreserve.gov website (the "Index"). The index is not necessarily the lowest rate charged by Lender on its loans. If the index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often than each 5 years. Borrower understands that Lender may make loans based on other rates as well. The index currently is 2.800% per annum. Interest on the unpaid principal balance of this Note will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 3.500 percentage points over the index, resulting in an initial rate of 6.300% per annum based on a year of 360 days. NOTICE: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

RECEIPT OF PAYMENTS. All payments must be made in U.S. dollars and must be received by Lender at:

Loan Service Center
P.O. Box 1527
Midland, MI 48641

All payments must be received by Lender consistent with any written payment instructions provided by Lender.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CHEMICAL BANK, P.O. Box 1527 Midland, MI 48641-1527.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by adding an additional 5.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Foreclosure Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or



Loan No: 801397274

Page 2

Insecurity. Lender in good faith believes itself insecure.

Borrower acknowledges receipt of a completed copy of this promissory note.

Borrower:

LEELANAU MONTESSORI

By: Sarah Bordas, President of Leelanau Montessori

By: Eric Royton
Eric Royton, Head of School of Leelanau
Montessori

By: Alicia Evans
Alicia Evans, Treasurer of Leelanau Montessori

[Handwritten signature]

CONSTRUCTION MORTGAGE

WHEN RECORDED MAIL TO:
CHEMICAL BANK
Attn: LQA Dept.
P.O. Box 1527
Midland, MI 48641-1527

FOR RECORDER'S USE ONLY



MAXIMUM LIEN. The lien of this Mortgage shall not exceed at any one time \$1,092,000.00.

THIS MORTGAGE dated June 22, 2018, is made and executed between Leelanau Montessori, a Michigan Nonprofit Corporation, whose address is 310 S. Elm St., P.O. Box 838, Suttons Bay, MI 49682 (referred to below as "Grantor") and CHEMICAL BANK, whose address is 333 East Main Street, Midland, MI 48640 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages and warrants to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all rights to make divisions of the land that are exempt from the platting requirements of the Michigan Land Division Act, as it shall be amended; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Township of Leland, Leelanau County, State of Michigan:

Parcel 2:

Part of the Northeast $\frac{1}{4}$ of the Southwest Fractional $\frac{1}{4}$ of Section 24, Town 30 North, Range 12 West, Leland Township, Leelanau County, Michigan, described more fully as follows: Commencing at the South $\frac{1}{4}$ corner of said Section 24; thence North $00^{\circ}22'44''$ West, along the North-South $\frac{1}{4}$ line of said Section 24, 1331.36 feet; thence South $89^{\circ}11'22''$ West, along the South $\frac{1}{8}$ line of said Section 24, 428.21 feet to the centerline of State Highway M-204 for the Point of Beginning; thence continuing South $89^{\circ}11'22''$ West, along said $\frac{1}{8}$ line, 96.56 feet; thence North, 400.66 feet; thence East, 71.30 feet to the centerline of a 40.00 foot wide easement; thence Southeasterly, along said centerline and the arc of a 76.00 foot radius curve to the left, 161.90 feet (having a delta of $122^{\circ}03'18''$ and chord of South $61^{\circ}01'39''$ East, 132.98 feet; thence North $57^{\circ}56'42''$ East, along said centerline; 53.00 feet; thence Southeasterly, along said centerline and the arc of a 76.00 foot radius curve to the right, 76.09 feet (having a delta of $57^{\circ}21'43''$ and chord of South $86^{\circ}37'27''$ East, 72.95 feet); thence South $32^{\circ}03'18''$ East, 161.99 feet to the centerline of State Highway M-204; thence Southwesterly, along said centerline and the arc of 3819.72 foot radius curve to the left, 374.06 feet (having a delta of $5^{\circ}38'39''$ and chord of South $52^{\circ}02'17''$ West, 373.92 feet) to the Point of Beginning.

Parcel 3:

Part of the Northeast $\frac{1}{4}$ of the Southwest Fractional $\frac{1}{4}$ of Section 24, Town 30 North, Range 12 West, Leland Township, Leelanau County, Michigan, described more fully as follows: Commencing at the South $\frac{1}{4}$ corner of said Section 24; thence North $00^{\circ}22'44''$ West, along the North-South $\frac{1}{4}$ line of said Section 24, 1331.36 feet; thence South $89^{\circ}11'22''$ West, along the South $\frac{1}{8}$ line of said Section 24, 524.77 feet; thence North, 400.66 feet to the Point of Beginning; thence continuing North, 370.00 feet; thence



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North 81°53'45" East, 191.39 feet; thence North 89°37'16" East, 260.00 feet; thence South 00°22'44" East, parallel to said ¼ line, 163.75 feet; thence South 57°56'42" West, 264.72 feet; thence South 32°03'18" East, 149.19 feet to the centerline of a 40.00 foot wide easement; thence Northwesterly, along said centerline and the arc of a 76.00 foot radius curve to the left, 76.09 feet (having a delta of 57°21'43" and chord of South 86°37'27" West, 72.95 feet); thence South 57°56'42" West, along said centerline, 53.00 feet; thence Northwesterly, along said centerline and the arc of a 76.00 foot radius curve to the right, 161.90 feet (having a delta of 122°03'18" and chord of North 61°01'39" West, 132.98 feet); thence West, 71.30 feet to the Point of Beginning.

Subject to and together with an easement for ingress and egress over and across a 40.00 foot wide strip of land situated in the Northeast ¼ of the Southwest Fractional ¼ of Section 24, Town 30 North, Range 12 West, Leelanau Township, Leelanau County, Michigan, the centerline of said strip being described more fully as follows: Commencing at the South ¼ corner of said Section 24; thence North 00°22'44" West, along the North-South ¼ line of said Section 24, 1643.78 feet to the centerline of State Highway M-204; thence Southwesterly, along said centerline and the arc of a 3819.72 foot radius curve to the left, 146.31 feet (having a delta of 2°11'40" and chord of South 56°07'13" West, 146.29 feet) for the Point of Beginning of said easement centerline; thence North 32°03'18" West, 120.37 feet; thence Northwesterly, along the arc of a 76.00 foot radius curve to the left, 119.38 feet (having a delta of 90°00'00" and chord of North 77°03'22" West, 107.48 feet); thence South 57°56'42" West, 53.00 feet; thence Northwesterly, along the arc of a 76.00 foot radius curve to the right, 161.90 feet (having a delta of 122°03'18" and chord of North 61°01'39" West, 132.98 feet); thence North, 25.25 feet; thence Northwesterly, along the arc of a 76.00 foot radius curve to the left, 41.12 feet (having a delta of 31°00'00" and chord of North 15°30'00" West, 40.62 feet); thence North 31°00'00" West, 53.57 feet; thence Northwesterly, along the arc of a 76.00 foot radius curve to the right, 41.12 feet (having a delta of 31°00'00" and chord of North 15°30'00" West, 40.62 feet); thence North, 223.67 feet to the Point of Ending of said easement centerline.

The Real Property or its address is commonly known as 7401 E. Duck Lake Road, Lake Leelanau, MI 49653. The Real Property tax identification number is 009-024-003-30.

CROSS-COLLATERALIZATION. In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

FUTURE ADVANCES. In addition to the Note, this Mortgage secures all future advances made by Lender to Grantor whether or not the advances are made pursuant to a commitment. Specifically, without limitation, this Mortgage secures, in addition to the amounts specified in the Note, all future amounts Lender in its discretion may loan to Grantor, together with all interest thereon.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL COVENANTS AND OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS ALSO GIVEN TO SECURE ANY AND ALL OF GRANTOR'S OBLIGATIONS UNDER THAT CERTAIN CONSTRUCTION LOAN AGREEMENT BETWEEN GRANTOR AND LENDER OF EVEN DATE HERewith. ANY EVENT OF DEFAULT UNDER THE CONSTRUCTION LOAN AGREEMENT, OR ANY OF THE RELATED DOCUMENTS REFERRED TO THEREIN, SHALL ALSO BE AN EVENT OF DEFAULT UNDER THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS AND COVENANTS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

CONSTRUCTION MORTGAGE. This Mortgage is a "construction mortgage" for the purposes of Sections 9-334 and 2A-309 of the Uniform Commercial Code, as those sections have been adopted by the State of Michigan.



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POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor and Lender agree that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to (a) attend to Lender's interests, (b) inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage, (c) appraise the property, (d) investigate whether the property is a site or source of environmental contamination, or (e) remove to remediate any environmental contamination. Without limiting the foregoing, Lender shall have the right to conduct and submit to appropriate governmental agencies a "baseline environmental assessment" of the property within the meaning of section 20101 of the Michigan Natural Resources and Environmental Protection Act, MCL section 324.20101, as it shall be amended from time to time. If, at the time of the appraisal, investigation, assessment, removal, or remediation, there shall have occurred and be continuing an Event of Default, then all costs and expenses of the appraisal, investigation, assessment, removal or remediation, shall be subject to the "Expenditures by Lender" section of this Mortgage. Grantor shall execute any consultant contract, waste manifest, notice, and other documents that Lender requests to enable Lender to take or conduct any action or activity contemplated by this paragraph, if Grantor is given a reasonable opportunity to negotiate the terms of the contract, manifest, notice, or other document.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances,



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and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. Grantor's "interest" in the Real Property shall be considered to include, without limitation, any right to make a division of the Real Property that is exempt from the requirement of the Michigan Land Division Act, as it shall be amended. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Michigan law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain



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such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of thirty (30) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.



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Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:



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Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness, including without limitation all future advances, when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien. Such failure to make payment for taxes or insurance shall constitute waste at the time such items are due and payable.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Mortgage or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without



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limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment fee that Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code. Without limiting those rights and remedies, Lender may, at its option, either (a) enforce its security interest in the Personal Property under the Uniform Commercial Code or other applicable law or (b) include the Personal Property in any judicial or non-judicial foreclosure of this Mortgage.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Any failure of Grantor to pay any taxes assessed against the Property or to pay any installment of those taxes or to pay any insurance premium upon any policy covering any property located upon the Property shall constitute waste and shall entitle Lender to the appointment by a court of competent jurisdiction of a receiver of the Property for the purpose of preventing the waste, except that no receiver may be appointed for any dwelling house or farm occupied by any owner of it as the owner's home or farm or for any store or other business property having an assessed valuation of \$7,500 or less. Subject to the order of the court, the receiver may collect the rents and income from the Property and shall exercise control over the Property to the extent ordered by the court. A court may also appoint a receiver for the Property in any other circumstances permitted by law. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Sale. Lender may sell, release and convey the Real Property at public sale and sign and deliver to the purchasers at the sale good and sufficient deeds of conveyance, paying any surplus funds, after payment in full of the sums then due under this Mortgage and the expenses of the sale, including attorney fees as provided by law, to Grantor, all in accordance with applicable law.

Warning. This Mortgage contains a power of sale, and, upon default, may be foreclosed by advertisement. In foreclosure by advertisement, no hearing is involved and the only notice required is to publish notice in a local newspaper and to post a copy of the notice on the Property.

Waiver. If this Mortgage is foreclosed by advertisement, Grantor hereby voluntarily and knowingly waives all rights under the Constitution and laws of the State of Michigan and Constitution and laws of the United States to all notice and a hearing in connection with the above-mentioned foreclosure by advertisement, except as set forth in the Michigan statute providing for foreclosure by advertisement.



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Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tenancy at Will. If Grantor remains in possession of the Property after Lender or the purchaser at a foreclosure sale of the Property become lawfully entitled to possession of the Property, the Grantor shall become a tenant at will of Lender or the purchaser of the Property and shall, at the option of the person lawfully entitled to possession, either (1) pay a reasonable rental for the use of the Property or (2) vacate the Property immediately upon the demand of the person lawfully entitled to possession.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales and Grantor waives Grantor's rights under MCLA Section 600.3224 to have separate parcels sold separately and to have no more parcels than necessary sold. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness. After the date that payment of the Indebtedness secured by this Mortgage has been accelerated by Lender, acceptance by Lender of any amount(s) paid by or on behalf of Grantor which is less than the full unpaid balance of the Indebtedness, including without limitation all accrued interest, late charges and other amounts due Lender under this Mortgage, shall not be deemed a waiver of default or acceleration, but shall be credited toward the unpaid balance of the Indebtedness, unless Lender shall specifically agree in writing to waive any such default or acceleration or both.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover its reasonable attorneys' fees. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

PROPERTY DAMAGE OR LOSS PROVISION. Lender retains the right to declare the loan in default if the Property is lost, stolen, substantially damaged, sold, or borrowed against from an outside lender without



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written authorization Property Damage or Loss Provision.

PARCEL CHANGES OR MODIFICATIONS PROVISION. Borrower will not divide the parcel, combine it with another parcel or transfer any division rights to another parcel.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. This Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Michigan without regard to its conflicts of law provisions. This Mortgage has been accepted by Lender in the State of Michigan.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Grand Traverse County, State of Michigan.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Use of Pronouns. Any term used to designate any of the parties in this Mortgage shall be deemed to include the respective heirs, estate representatives, successors, and assigns of the parties, and all pronouns and relative words used in this Mortgage are intended to apply in the singular, plural, feminine or neuter forms as the context may require, to appropriately refer to the parties designated.

Waive Jury. All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Michigan as to all Indebtedness secured by this Mortgage.



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DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Leelanau Montessori and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Default. The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means Leelanau Montessori.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage. Specifically, without limitation, Indebtedness includes the future advances set forth in the Future Advances provision, together with all interest thereon and all amounts that may be indirectly secured by the Cross-Collateralization provision of this Mortgage.

Lender. The word "Lender" means CHEMICAL BANK, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note dated June 22, 2018, in the original principal amount of \$1,092,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property. However, should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as amended).

Property. The word "Property" means collectively the Real Property and the Personal Property.



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Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

GRANTOR COVENANTS AND AGREES TO THE PROVISIONS OF THIS MORTGAGE.

GRANTOR:

LEELANAU MONTESSORI

By: 
Sarah Bordeaux, President of Leelanau Montessori

By: 
Alicia Evans, Treasurer of Leelanau Montessori

By: 
Eric Robyston, Head of School of Leelanau Montessori

This Mortgage was prepared by: Marcia Dargitz, Commercial Loan Processor
CHEMICAL BANK
333 East Main Street
Midland, MI 48640



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CORPORATE ACKNOWLEDGMENT

STATE OF Michigan)
) SS
COUNTY OF Leelanau)

On this 22nd day of June, 2018, before me, the undersigned Notary Public, personally appeared **Sarah Bordeaux, President of Leelanau Montessori; Alicia Evans, Treasurer of Leelanau Montessori; and Eric Royston, Head of School of Leelanau Montessori**, and known to me to be authorized agents of the corporation that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the corporation.

By *Judi L. Wolff* My commission expires _____

Notary Public, State of _____, County of _____

Acting in the County of _____

Judi L. Wolff
Notary Public, State of Michigan
County of Grand Traverse
My Commission Expires November 23, 2018
Acting in the County of Leelanau