LEASE AGREEMENT

THIS LEASE, entered into as of the 14th day of JUNE, 2024 by and between Lake Santee Marina, LLC, a not-for-profit corporation of Decatur and Franklin Counties, Indiana, Lessor, and Dave & Diane Armontrout, D.B.A. Lake Santee Marine Service, an Indiana company, Lessee.

WITNESSETH:

That the Lessor hereby leases unto the Lessee, and the Lessee hereby takes from the Lessor as Lessee the following premises situated at Lake Santee, to-wit:

The steel building, 3,000 square feet, containing an overhead hoist known as the Lake Santee Marina Service Shop and 1.75 acres of yard storage located at 13 SW Santee Drive, Lake Santee Subdivision, (for the purposes of this document, said premises will be known as the 'Marina Shop'). Additional leased equipment includes a hyster forklift, 2004 Jeep Wrangler, 2019 Hoosier BX-TT trailer and 2019 Hoosier CL/HD trailer.

1. The following are the terms and conditions which the respective parties covenant and agree to keep and perform:

A. The term of said contract shall be for the period of July 1, 2024 through June 30, 2026.

The Marina Shop rental fee as scheduled:
July-Sept 2024 - $1,000
Oct-Dec 2024 - $1,200
Jan-Mar 2025 - $1,400
Apr-June 2025 - $1,600
July-Sept 2025 - $1,800
Oct-Dec 2025 - $2,000
Jan-Mar 2026 - $2,200
Apr-June 2026 - $2,400
on the first day of each and every month during the term of this lease.

B. If the Lessor does not receive payment by the 5th of the month a penalty of $5.00 per day shall be added to the rent beginning with the 2nd day of the month.

C. This agreement shall not automatically renew.

2. The Lessor covenants and agrees:

A. That it will maintain in good repair the roof, and outside walls of the building. That it will also maintain in good repair all mechanical systems. It will maintain exterior lighting, except on displays or signage owned by the Lessee.

B. That it will allow Lessee to install and erect advertising signs on said premises subject to its written approval and said approval by the Lessor shall not be withheld unreasonably. Said advertising signs shall remain the property of the Lessee.

C. That it shall provide fire and extended insurance coverage for the structure, premises and contents owned by Lessor.

D. That it agrees to maintain a 40-gallon water heater as needed to provide adequate pressure and 150 degrees F temperature necessary to meet the needs of normal business operations.

E. That it shall provide a certified Board resolution approving the entering into of this lease prior to the execution date.

F. That it shall include the following services for the specified monthly rent:

1. Fire extinguishers shall be inspected and tagged annually.

2. Clean, service and repair heating and air-conditioning as needed.
3. Professional exterminating service on a monthly basis.
4. Snow removal from the parking area.

3. The Lessee covenants and agrees:

A. To pay the rent at the time and in the manner herein provided.

B. To use said premises for the sole purpose of operating a boat and small engine repair shop.

C. To maintain in good condition all interior surfaces and to do all interior decorating at their own expense.

D. Not to place any sign or signs upon said building or premises without first obtaining the written consent of the Lessor.

E. To carry, in a company or companies acceptable to the Lessor, "Premises & Operations Liability" insurance for the benefit of Lessor in a minimum amount of one million dollars. The Lessor shall be listed as an "Additional Insured" on each policy and certificates of insurance shall be provided to the Lessor annually on the anniversary of the LEASE AGREEMENT. Lessee is responsible for insurance coverage on its contents.

F. Not to bore or cut into any column, beam or other part of the premises so as to inflict structural damage for any purpose whatsoever or make any alteration or addition to said building without first obtaining the written consent of the Lessor. Drawings or plans shall be provided to the Lessor for all alterations, additions and improvements proposed by the Lessee, along with information as to who will perform the proposed work. Once the modifications are approved and executed, such alterations, additions and improvements shall be and remain the property of the Lessor upon the termination of this lease; however, nothing herein contained shall prevent the Lessee from removing their business equipment and fixtures and repairing any damages to the premises. All alterations, additions and improvements shall be at the expense of the Lessee unless otherwise agreed. Lessor shall be given the option to purchase all equipment and fixtures installed by the Lessee at the termination of the lease.

G. To permit the Lessor, with Lessee's permission, to enter the premises at any reasonable time for the purpose of inspecting the same or making repairs, said permission not to be unreasonably withheld.

H. To not assign this lease or sublet the premises or any part thereof without first obtaining the written consent of the Lessor, not to be unreasonably withheld.

I. To regularly sweep and clean up spills on flooring. To arrange for weekly trash removal.

J. To keep said Marina Shop facilities and the operation thereof in compliance with all rules and regulations of all regulatory agencies and allow Lessor access to said premises to facilitate its lawful operation.

K. To assume responsibility for electric, phone, internet, and propane gas. To fill the propane tank to 70% capacity at the termination of the lease to equal the gas provided by the Lessor at the time Lessee took possession of premises.

L. To maintain heat at a minimum of 40 degrees Fahrenheit at all times.

M. To assume the cost of recharging fire extinguishers in the event they are discharged. Lessee must notify Lessor of the discharge of any extinguisher within 24 hours

N. To assume responsibility for cleaning up litter in front of the Marina Shop including adjacent parking.

O. To seek prior approval from the Board for any special events or vendors.

P. To fully disclose the names and addresses and ID numbers of all individuals, companies and corporations that are parties to this LEASE AGREEMENT or who have an interest in Lessee.

Q. To provide the Association Office names and phone numbers of responsible individuals who can be contacted in case of problems or an emergency.

R. To promptly notify the Association Office of needed repairs to heating, air conditioning, lighting (excluding bulbs), plumbing, electrical, windows, or doors.

S. To be responsible for locking all doors when leaving the premises.

T. To be responsible for accepting all deliveries. Lessee should not expect Association employees to receive and/or sign for deliveries of goods and services unless prior arrangements have been made acceptable to the Lessor.

U. To be present on the day scheduled for pest control, unless prior arrangements have been made acceptable to the Lessor.

V. To coordinate with the Association Office prior to the installation of any equipment requiring special wiring, plumbing or the turn off of water or electricity for installation and/or removal. To be responsible for the cost of required modifications, unless prior agreements have been made with the Lessor.

W. To surrender premises, fixtures and equipment at the termination of this lease in a state of cleanliness and condition, ordinary wear and tear excepted, consistent with the cleanliness and condition upon taking possession of the premises. Prior to vacating the premise, a joint inspection with the Lessor must be requested; otherwise, the Lessee shall forfeit the opportunity to arbitrate claims made by the Lessor.

X. To return all keys provided by the Lessor or be responsible for the cost of replacing all locks for which all keys are not returned.

4. It is mutually agreed:

A. That at the time of first possession by Lessee, a full inspection of the premise, fixtures and equipment shall be made with Lessor's representative, noting any damage, defects or uncleanliness. This inspection report shall be written and signed by both parties and attached to this LEASE AGREEMENT for future reference.

B. That non-member patrons and the public shall have access to the Marina Shop facilities during business hours. Non-member patrons and the public shall have no use of facilities maintained by Lake Santee Property Owners Association, Inc., for the private use of their members. Said facilities shall include, but not be limited to the beach, tennis courts, basketball courts and the Lake.

C. That if any default shall be made in the payment of rent or any part thereof at the time provided, or if, after thirty (30) days written notice setting forth the default, default shall continue by the Lessee in the

performance or observance of any other covenant, agreement or condition herein contained to be performed on their part, or if the Lessee shall be dispossessed or shall abandon or vacate the premises or shall become bankrupt or shall make a general assignment for the benefit of creditors, the Lessor shall have the right to re-enter and take possession of the premises, and the Lessee shall peacefully surrender possession thereof to the Lessor upon written demand and all rights and interests of the Lessee hereunder shall cease and terminate, but nothing herein contained shall affect the Lessor's right to the rental for the term herein specified. Upon taking possession hereunder, the Lessor may at its discretion terminate and end this lease and option by giving the Lessee written notice thereof, or the Lessor may re-let said property and the Lessee shall be liable for and will pay as it accrues, the difference in the rental until the next anniversary of the date of possession.

D. That no amendments or modifications of this Agreement shall be valid and binding unless in writing and executed in the same manner as the execution of this Agreement. While Board Members, Officers, Committee Members or the Manager may discuss matters concerning this Agreement with Lessee, any change in the Agreement must be approved at a Board Meeting and the amendments must be executed in the same manner as this Agreement.

E. That no prior stipulation, agreement or understanding, verbal or otherwise, between the parties or their agents shall be valid or enforceable unless referenced or embodied in the provisions of this Agreement.

F. That if Lessee shall default under the terms of this LEASE AGREEMENT, Lessor shall be entitled to remaining rents due, costs, expenses, including costs of litigation, and reasonable attorney fees.

G. That if Lessor shall default under the terms of this LEASE AGREEMENT, Lessee shall be entitled to costs, expenses, including costs of litigation, and reasonable attorney fees.

H. That any notice or demand provided for herein may be given to the party to be served personally or by certified mail, return receipt requested, addressed to Lessor at its last known address, or to the Lessee at the premises herein leased, or at their last known address.

I. That either party may cancel this lease, for just cause, at the end of any calendar month by giving written notice of intent a minimum of ninety (90) days in advance.

J. That the facility shall be designated "non-smoking".

Lake Santee Marina, LLC, Lessor

By: _____
Steven Knight, President

D.B.A. Lake Santee Marine Service

By: _____
Dave Armontrout

By: _____
Diane Armontrout
11030 State Road 121
Laurel, IN 47024
765-309-4687