



Agreement #11521-2010

MONTH-TO-MONTH AGREEMENT

Between

T.B.D.

A , As Landlord

and the

State Of Michigan, As Tenant

THIS MONTH-TO-MONTH AGREEMENT ("Agreement") is entered into by and between , a , as ("Landlord"), whose address is , , , and the State of Michigan, by the Department of Technology, Management & Budget, whose address is 530 W. Allegan Street, Lansing, MI 48933, for the Michigan Department of Energy, Labor, Economic Growth ("Tenant"), and establishes the following terms, conditions, performance obligations, and covenants between the parties:

1. **Premises.** Landlord hereby rents to Tenant approximately (30,000-35,000) usable square feet of housing/classroom space, which is outlined on a plan attached as Attachment "A", and fifty (50) standard parking spaces on the grounds of the property commonly known as , , (the "Premises") as further described in Attachment "B" to this Agreement.
2. **Term.** The term of this Agreement is month-to-month beginning November 1, 2010 and ending October 31, 2011, subject to the cancellation provisions of this Agreement.
3. **Rent.** Tenant shall pay to Landlord rent at the rate of Dollars and Cents () per month. Rent consideration installment payments shall be made during the month for which the installment applies. Public Act 533 of 2004 requires that payments under this Agreement be processed by electronic funds transfer (EFT). Landlord is required to register to receive payments by EFT at the Contract & Payment Express website (www.cpexpress.state.mi.us).
4. **Date of Possession.** The Premises shall be available for possession by Tenant beginning on November 1, 2010. The Date of Possession and ending date may be altered by mutual written consent.
5. **Cancellation.** This Agreement may be canceled by the Tenant upon thirty (30) days written notice to the Landlord delivered either in person, by recognized overnight courier service, or by certified mail to the other party's address as set forth under the "Notices" Section of this Agreement, or to such other address as either party may designate in writing for the delivery of notices under this Agreement.

6. Landlord Representations, Obligations and Warranties.

- 6.1 Fire Inspection Report. Landlord shall provide to Tenant, before possession, a written fire inspection report approving the Premises for occupancy.
- 6.2 Governmental Compliance. Landlord represents and warrants that the Premises will comply with all applicable governmental laws, rules and regulations during the term of this Agreement including, but not limited to, applicable codes and use permits.
- 6.3 Authority to Bind. Landlord represents and warrants that it has legal ownership and authority to enter into this Agreement, and shall provide a recorded warranty deed and/or other documentation necessary to confirm ownership and authority.
- 6.4 First right of refusal for adjacent. The Landlord shall not rent or otherwise occupy any adjoining space which is or becomes vacant on the Premises known as _____ during the term of this Agreement, or any extensions thereof, without first offering for a period of ten (10) days, the space to the Tenant at the Tenant's current rental rate, and under the same terms and conditions found in this Agreement.

7. Repair and Maintenance. Except as to obligations expressly undertaken by Tenant as set forth herein, Landlord agrees to maintain the Premises, including exterior and interior and parking areas and sidewalks if any, as well as all maintenance and repair to mechanical, plumbing and electrical systems serving the Premises as needed to keep them in sound working order and in compliance with applicable legal codes and free from dangerous or defective conditions. If Landlord fails to fulfill its obligation to the satisfaction of Tenant, Tenant may either cancel the Agreement or make the necessary repairs and maintenance and deduct the expense from future rent due after giving Landlord a 30-day written notice to cure detailing the maintenance or repair defect.

8. Services and Responsibilities of Tenant. Tenant shall furnish the following at its own expense:

- 8.1 Telecommunication services.
- 8.2 Alarm service.

9. Services and Responsibilities of Landlord. Landlord shall furnish the following at its own expense:

- 9.1 Heating, mechanical ventilating, cooling, and humidification system capable of providing a temperature range of 68°F to 78°F, measured at 30" above the finished floor, and 12" inside any exterior wall, and a humidification range of 30% to 50%, at all times occupied.
- 9.2 Electric service for lights, office machines, and all other electrical equipment. Lighting to be a minimum of 50-foot candles, maintained at desk level. Replacement of light bulbs, tubes, and fixtures as needed.
- 9.3 Hot and cold water for restrooms.
- 9.4 Replacement of all glass breakage in windows and doors, including plate glass, unless said breakage was caused by the negligence of the State's employees or agents.
- 9.5 Provide and maintain any equipment required by the Fire Inspector for fire prevention and safety.
- 9.6 Pay all real estate taxes and special assessments, if any.
- 9.7 Snow removal from driveways, steps, porches and walkways.
- 9.8 Removal of trash and refuse from the Premises.
- 9.9 Pest Control.
- 9.10 All utilities serving the Premises, including water, sewer, gas, electricity and/or steam.
- 9.11 Prior to possession, all doors providing access to the Premises shall be rekeyed and **three (3)** keys per lock combination shall be provided to the Lessee.

- 9.12 Provide signs at restrooms, entrances/exits, and any others as required by local and state building codes, fire codes, and barrier free regulations.
- 9.13 Janitorial supplies, equipment, personnel, and supervision to provide cleaning services as described in Attachment "C".

10. Assignment and Subletting. Tenant shall neither assign this Agreement nor sublet the Premises, in whole or in part, without the prior written consent of the Landlord, which consent shall not be unreasonably withheld. Tenant, through its Department of Management and Budget, may assign or reassign any or all of the Premises to any branch, department, board, agency, commission or other instrumentality of State government without obtaining consent of Landlord; however, such an assignment shall not relieve Tenant of its obligations under this Agreement.

11. Alterations and Improvements. No alterations, modifications, or improvements shall be made to the Premises without the prior written consent of the Landlord, which consent shall not be unreasonably withheld. At the expiration of the Agreement, all such alterations, modifications, and improvements to the Premises shall become the property of the Landlord, unless otherwise agreed in writing as part of the close out process. Landlord shall not unreasonably deny a request from Tenant to have certain of the rented parking spaces painted to indicate they are reserved for handicap parking only.

12. Damage and Destruction. In the event that less than 50% of the replacement value of the Premises are damaged or destroyed by any casualty, the Landlord shall, at its own expense, repair said damage and restore the Premises to its prior condition, within ninety (90) days notice after the damage or destruction. In the event that more than 50% of the replacement value of the Premises is damaged or destroyed by any casualty, the Landlord shall have the option of repairing or reconstructing, or canceling this Agreement, which option shall be exercised within ninety (90) days after the damage or destruction. Tenant shall be liable for any damage to Premises caused by sole action of the Tenant, Tenant's employees or Tenant's guests or by any casualty insured under the Tenant's insurance policy, excepting reasonable wear and tear or damage by the elements.

13. Holding Over. In the event Tenant remains in possession of the Premises after the expiration or termination of the Agreement, it shall be deemed to be occupying the Premises as a Tenant from month-to-month, subject to all conditions, provisions and obligations of this Agreement, and the rent shall remain the same as the monthly rent owing at the end of the Agreement.

14. Environmental. The parties shall comply with all applicable federal, state and local environmental laws, regulations and rules, including without limitation financial liability and responsibility for the cleanup, containment and abatement of any spills or discharges of hazardous substances on or within the Premises.

14.1 Landlord represents and warrants that there is no known adverse environmental condition on or within the Premises.

14.2 Tenant assumes no liability or responsibility for any spills or discharges of hazardous substances that occurred before Possession, regardless of when those spills or discharges are discovered.

15. Insurance. Landlord is required to provide proof of the minimum levels of insurance coverage as indicated below for the Premises within thirty (30) calendar days of the Effective Date of this Agreement. As proof, Landlord must furnish to Tenant certificate(s) of insurance verifying insurance coverage. The certificate must be on the standard "Accord" form, and such certificate(s) must be prepared and submitted by the insurance provider. All such insurance

certificate(s) shall contain a provision indicating that coverages afforded under the policies will not be canceled, materially changed, or not renewed without sixty (60) days prior written notice, except for non-payment of premium, having been given to Landlord per the Notice provision (Paragraph 17) of this Agreement.

If proof is not received within the stated timeframe, or a notice of cancellation is received and proof of new coverage is then not received within thirty (30) days of the notice being sent, Tenant may at its own discretion obtain said insurance on its own, but is not required to do so, or may cancel this Agreement. If Tenant obtains insurance, Landlord will be charged the cost of the insurance plus a 15% administrative fee. Such costs will be deducted from the rent payment and is non-refundable. The insurance requirements are as follows:

- 15.1 Commercial Property Insurance, including extended coverage, vandalism and malicious mischief, sprinkler damage and where applicable, flood coverage, in an amount equal to 100% of the full replacement cost of the Premises, with a deductible not to exceed \$50,000.
- 15.2 Commercial General Liability Insurance with a limit of not less than \$2,000,000 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to these Premises. Landlord must name the State of Michigan, its departments, divisions, agencies, offices, boards, commissions, officers, employees and agents as additional insured parties on the Commercial General Liability policy.

The Landlord must agree to waive all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Landlord is required to maintain pursuant to this agreement. The Landlord also agrees to provide evidence that all applicable insurance policies contain a waiver of subrogation by the insurance company. Tenant reserves the right to reject insurance written by an insurer that Tenant deems unacceptable. All insurance coverages provided relative to this Agreement are primary and non-contributing to any comparable insurance (including self-insurances) carried by the State.

16. Public Policy Provisions.

- 16.1 Non-Discrimination. Landlord shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Landlord agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.
- 16.2 Unfair Labor Practices. This Agreement may be canceled by Tenant if Landlord or any subcontractor, manufacturer or supplier of the Landlord appears in the register compiled by the Michigan Department of Labor and Economic Growth pursuant to 1980 Public Act 278, as amended, MCL 423.321 et seq. (Employers Engaging in Unfair Labor Practices Act). A breach of this covenant is a material breach of this Agreement.

17. Notices. Any notices under this Agreement shall be complete if submitted in writing and transmitted by certified or registered mail return receipt requested. Notices shall be deemed effective on the date and time of the delivery receipt.

Lessor	Lessee
	Real Estate Division Director
	Michigan Department of Technology, Management & Budget
	530 West Allegan Street
E-mail:	Lansing MI 48933
Telephone:	
Fax:	CC to DELEG
	Department of Energy, Labor & Economic Growth

18. Quiet Enjoyment. Tenant, upon payment of the stated rent and the performance of the conditions outlined herein, may peacefully and quietly have, hold, and enjoy the Premises. Landlord may access the Premises as needed to perform its responsibilities under this Agreement and to make reasonable inspections of Landlord’s property.

19. Miscellaneous Provisions.

- 19.1 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.
- 19.2 Mutual Drafting. This Agreement shall be interpreted and construed as drafted mutually by both parties.
- 19.3 Entire Agreement. This Agreement, with all Attachments as listed herein, constitutes the entire agreement between the parties with regard to this transaction and may be amended only in writing, signed by each party.
- 19.4 Severability. Should any provision of this Agreement or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Agreement, and such action shall not affect the enforceability of the remaining provisions of the Agreement.
- 19.5 Waiver. Failure to enforce any term of this Agreement shall not be deemed a waiver of the enforcement of that or any other term of this Agreement.
- 19.6 Effective Date. The Effective Date of this Agreement is the date signed by the Real Estate Director of the Department of Technology, Management & Budget.
- 19.7 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators and assigns of Landlord and Tenant.

20. Attachments.

- 20.1 Attachment “A” – page(s), floor plan/site plan
- 20.2 Attachment “B” – page(s), legal description
- 20.3 Attachment “C” – 1 page, janitorial schedule

IN WITNESS WHEREOF, the parties to this Agreement subscribe their names on the date set forth below.

Witness:

Landlord:

Signature
Print Name: _____

Date: _____
Signature
Print Name: _____
Title: _____

Witness:

Tenant: Department of Energy, Labor, Economic Growth

Signature
Print Name: _____

Date: _____
Signature
Print Name: _____
Title: _____

Witness:

Tenant: Department of Technology, Management & Budget

Signature
Printed Name: _____

Date: _____
Deborah M. Roberts
Interim Director, Real Estate Division
Department of Technology, Management & Budget

Form Updated: 4-1-2010