

## LEASE

BCT Management, Inc. (herein referred to as Landlord) does hereby lease to BLU Culinary Arts, LLC (herein referred to as Tenant) approximately five hundred fifty (550) square feet of space located in the west storefront of the Buskirk-Chumley Theater located at 114 East Kirkwood Avenue, Bloomington, Indiana, upon following the following terms and conditions:

1. **TERM**. The initial term of the lease shall be for three (3) years, commencing on the **1<sup>st</sup> day of May 2017** and expiring on the **31<sup>st</sup> day of Dec 2020**.
  - A. **OPTION TO RENEW**. So long as Tenant is not in default upon the expiration of the initial term above described, and subject to approval by the City, the Tenant may have the option to renew the lease for two renewals of an additional three (3) years each. Tenant shall exercise its option to renew by notifying the Landlord in writing no later than sixty (60) days prior to the expiration of the initial lease term and the expiration of the first renewal term, respectively.
2. **RESTROOMS**. The Tenant shall have use of the restrooms located on the main floor in the interior lobby of the theater for employees and customers.
3. **DUMPSTER**. The Tenant shall have the right, free of charge, to utilize the dumpster located behind the theater building.
4. **BASEMENT STORAGE CLOSET**. The Tenant shall have twenty-four (24) hour access to one-half (1/2) of the basement storage closet as designated by the Landlord. Access to this area shall be through the backstage door of the theater whenever rehearsal or performance occupies the auditorium.
5. **UTILITIES**. The Landlord shall provide the HVAC (heating and air conditioning system), as well as water and sewer systems for the leased space, and arrange for weekly trash service. The Tenant shall pay for all electricity utilized for the leased space, and any

and all other associated utility fees and charges. The Landlord shall pay for all water and sewer charges and fees, as well as trash services.

6. SCHEDULING. The Landlord shall clearly and efficiently communicate with the Tenant regarding scheduling and nature of upcoming theater events.
7. NON-COMPETITION The Landlord shall not sell concession items which are in direct competition with products sold by the Tenant when the Tenant is open to the public.
8. DISPLAYS. All window displays and any permanent modifications to the leased premises shall not be made without prior written approval of the Landlord.
9. TENANT'S PROPERTY. The Landlord shall not be responsible for interior fixtures, equipment, product, or any property of the Tenant in either the café space or basement storage closet.
10. INSPECTIONS. The Landlord shall have the right to enter the leased premises at any time for inspections or to perform maintenance or other emergency requirements.
11. INDEMNIFICATION. The Landlord, the City of Bloomington, and the City of Bloomington Board of Park Commissioners shall be indemnified by the Tenant for the Tenant's acts of gross negligence or willful misconduct and for any damage cause to the premises other than normal wear and tear.
12. CAFÉ. The Tenant shall continue to operate BLU Boy Café & Cakery, a dessert cafe on the premises. Tenant will not use the premises for any other purpose without the express written permission of the Landlord.
13. STORE HOURS. The Tenant shall maintain the café as an open-to-the-public business no less than thirty (30) hours per week.
14. TENANT'S COMPLIANCE. The Tenant shall maintain health code compliance and all necessary business permits and comply with all local ordinances as well as county and state laws.

15. MODIFICATIONS. Any modifications approved in writing by the Landlord shall be made by the Tenant at the Tenant's expense and such permanent improvements or modifications (i.e., fixtures) shall become the property of the Landlord. Tenant recognizes and accepts that Landlord must obtain permission from the City of Bloomington, including appropriate City boards or commissions, prior to authorizing any modifications.
16. SUBLEASING. The Tenant shall not be permitted to sublease this contract in whole or in part.
17. MAINTENANCE OF RESTROOMS. The Tenant shall be responsible for sharing the maintenance of the restrooms located on the main floor of the lobby, thoroughly cleaning the facilities no less than twice weekly, in adherence to a mutually agreeable schedule.
18. RENTAL. The Tenant shall pay rental to the Landlord; with the first monthly payment being due and payable on or before the 15th day of May and each succeeding monthly payment being due no later than the 15th of each month. A late fee of Ten Dollars (\$10.00) will be applied by the Landlord for any rental not paid when due.

A. **Initial Term.** The rental during the initial term shall be as follows:

5/1/2017 to 12/31/2018: \$937.50/month (5% increase)  
1/1/2019 to 12/31/2019: \$965.75/month (3% increase)  
1/1/2020 to 12/31/2020: \$995/month (3% increase)

B. **First Renewal Term.** Should Tenant choose to exercise its first option to renew, rental during said renewal term shall be as follows:

1/1/2021 to 12/31/2021: \$1025/month (3% increase)  
1/1/2022 to 12/31/2022: \$1055/month (3% increase)  
1/1/2023 to 12/31/2023: \$1088/month (3% increase)

To renew, Tenant should submit a letter to Landlord no later than 10/1/2020, stating their intention to renew the lease under the stated terms.

C. **Second Renewal Term.** To renew for a second term, Tenant should submit a letter to Landlord no later than 10/1/2023, stating their intention to renew. Rental rates will be negotiated at that time.

19. REAL ESTATE TAXES. The tenant shall pay all personal property taxes and any other applicable taxes on the leased space as those taxes become due.
20. INSURANCE. The Tenant shall maintain personal liability insurance of at least One Million Dollars (\$1,000,000.00) per person and Two Million Dollars (\$2,000,000.00) per incident for personal injury and Two Hundred and Fifty Thousand Dollars (\$250,000.00) for property damage to property of a third party. The Tenant shall also maintain personal property insurance to cover the Tenant's own property on the premises. All insurance policies required by this paragraph shall name the Landlord, the City of Bloomington, and the City of Bloomington Board of Park Commissioners as additional insureds. Tenant shall provide to Landlord a Certificate of Insurance indicating the above parties as additional insureds no later than thirty (30) days from the execution date of this Lease.
21. DEFAULT. If Tenant fails to pay rent or fulfill any other obligation under this lease within thirty (30) days of receiving written notice from the Landlord (Landlord being obligated to give no more than (1) such notice during any one year period), or if the Tenant fails to observe any of the other covenants or conditions contained in this lease, then in addition to other remedies at law or in equity, Landlord may re-enter the premises and regain the possession of such premises to the exclusion of the Tenant. However, if Tenant shall commence to cure default of which it is notified and cannot complete such cure within a fifteen (15) day period, then the Tenant shall be allowed a reasonable time to cure so long as Tenant is diligently and in good faith pursuing corrective action. If Tenant does not commence cure of such default within fifteen (15) days after giving notice, Landlord may terminate the Lease. Upon notice of termination, Landlord may, as its sole option, allow for full immediate acceleration of all rents due and owing for the term(s) of the lease remaining. Any re-entry, repossession, expulsion, or removal,

whether by direct act of the Landlord or through legal proceedings for that purpose, shall not terminate this Lease, nor release Tenant from any liability for the payment of any rent to be paid under the terms of this Lease, or for the performance or fulfillment of any other term or condition provided herein, whether before or after re-entry, repossession, expulsion, or removal by Landlord.

A. **Re-entry.** Landlord is not under any obligation to repossess the Demised Premises during any period when Tenant is in default, and the provisions provided herein regarding re-entry by Landlord of repossession and management of the Demised Premises are made to operate only in the event Landlord shall affirmatively elect to repossess said premise. If the Landlord re-enters the Demised Premises, Landlord may lease or relet the Demised Premises in whole or in part, to any Tenant that may be satisfactory to the Landlord for any duration and upon the rent, terms, and conditions as Landlord deems acceptable in Landlord's sole discretion. The acceptance of any new Tenant or the making of any lease by Landlord shall be conclusive evidence of the exercise of proper discretion by the Landlord. Any re-entry by Landlord shall be made without prejudice to any rights or remedies whether by statute or common law that might otherwise be used for recovering arrears in rent or for breach of any terms or conditions of this Lease. In the event of re-entry, Landlord shall use and apply rent received as follows:

1. First, payment of cost, maintenance, and operation of the Demised Premises, including a reasonable compensation to Landlord and its agents, attorneys, or employees for services in the management of the Demised Premises;

2. Second, payment of all taxes, assessments, additional rental and other charges or expenses agreed to be paid by Tenant pursuant to the terms of this Lease;
3. Third, payment on account of the minimum rent due or accelerated rent, if such rent was accelerated by Landlord, at the rate of Fourteen Percent (14%) per annum from the time the rent becomes due.

**B. Additional remedies.** In addition to or in lieu of the foregoing, Landlord shall be entitled to pursue against Tenant any other remedy at law or equity permitted under the laws of the State of Indiana. In addition to any sums due to Landlord as a result of Tenant's default, Landlord shall be entitled to collect from Tenant reasonable attorney's fees, costs, and expenses incurred by Landlord in enforcing this Lease, including the cost of preparation of any notice(s).

**C. Ceasing to do Business.** In the event that Tenant vacates or abandons the premises, or ceases doing business for less than sixty (60) days, Tenant will not be considered in default of this lease. However if the Tenant's business is closed for more than a sixty (60) day period for reasons other than remodeling, condemnation, or casualty, Landlord has the right to repossess the premises and terminate this Lease.

22. NOTICE. Any notice required by this Lease or by Indiana Law should be sent to the following, certified, via first class U.S. Mail:

Landlord: BCT Management, Inc./ Buskirk-Chumley Theater  
114 E Kirkwood Ave  
Bloomington, IN 47408

Tenant: David Fletcher  
126 S. Hampton Court  
Bloomington, IN 47408

23. HEIRS, SUCCESSORS, AND ASSIGNS. This agreement shall bind the parties and their respective assigns, successors, heirs, administrators, legal representatives, personal representatives, or such other successors in interest.

24. VENUE. The venue of any action hereon shall be Monroe County, Indiana.

Executed on this \_\_\_\_ day of \_\_\_\_\_, 2017.

**LANDLORD:**

BCT Management, Inc.



By: \_\_\_\_\_  
Danielle McClelland  
Executive Director

**TENANT:**

BLU Culinary Arts, LLC

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

PERSONAL GUARANTYS

We, each of the undersigned, do jointly and individually personally guaranty the performance of the above Lease by the Tenant, BLU Culinary Arts, LLC.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2017.

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

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