

**LANDLORD'S AGREEMENT**  
**(Required for SBA Loans)**

THIS LANDLORD'S AGREEMENT is dated as of December 19, 2023, by City of Shakopee ("Landlord"), for the benefit of Old National Bank ("Lender") located at One Main Street, Evansville, IN 47708.

**RECITALS**

Tommy's Malt Shop ("Borrower") has applied to the Lender for a term loan, which loan is to be secured in part, by a security interest in all of the tangible and intangible personal property of the Borrower as well as any leasehold improvements, if applicable, being financed by the use of proceeds of Lender ("Collateral"). The Landlord leases the real property known as SandVenture ("Premises") to the Borrower pursuant to a written lease agreement dated as of \_\_\_\_\_ ("Lease"). Some or all of the Collateral may be located on the Premises. The Lender's extensions of credit to the Borrower are conditioned upon the Landlord executing this Landlord's Agreement. The Landlord is willing to execute this Landlord's Agreement in order to accommodate the Borrower.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Landlord agrees for the benefit of the Lender as follows:

1. Subordination Of Landlord's Interest in Collateral. The Landlord consents to the security interest of the Lender in the Collateral located at the Premises and agrees that the Lender's security interest in the Collateral shall be superior in lien priority and rights of enforcement to any interest or lien right which the Landlord may have in the Collateral. The Landlord acknowledges that the Collateral is personal property and is not intended to be a fixture to the Premises. The Landlord subordinates to the security interests of the Lender any security interest, lien, distraint and levy rights which the Landlord may have in the Collateral. This subordination shall continue for so long as any obligations owed by the Borrower to the Lender remain unsatisfied. The Lender may at any time during normal business hours enter upon the Premises and remove the Collateral. In the event that the Lender damages the Premises by removing the Collateral, the Lender shall have the obligation to restore any portions of the Premises damaged by the Lender to the condition existing prior to the damage caused by the Lender.

2. Notification Of Lender of Default; Lender's Right To Cure. The Landlord agrees to notify the Lender in writing at the above address prior to the Landlord exercising its enforcement remedies against the Borrower and to permit the Lender to have a period of sixty (60) days to cure or cause to be cured any act or event of default occurring under the Lease. The Landlord acknowledges that the Lender has no obligation or duty to cure or cause to be cured any act or event of default of the Borrower under the Lease, unless the Lender elects in writing to cure the default.

3. Removal Of Collateral After Default. In the event the Borrower defaults under the LEASE and is evicted by the Landlord, the Lender shall have the right to keep, store and sell any portion of the Collateral located at the Premises, on a month to month basis for a period of up to sixty (60) days, beginning on the date that the Borrower loses possession of the Premises, provided that the Lender pays to the Landlord each month's rent at the monthly rent provided for in the Lease. The Lender shall have no obligation to pay any unpaid rent due under the Lease which has accrued prior to the date the

Borrower loses possession of the Premises. While the Lender is using the Premises for storage of the Collateral, the Lender shall maintain at the Lender's expense casualty insurance and liability insurance for the benefit of the Landlord in the amounts of coverage required by the terms of the Lease.

4. Lease Assignment. The Landlord acknowledges that the Borrower has assigned, or will assign, its interest in the Lease to the Lender (and its designees) as security for the Borrower's obligations to the Lender. The Landlord hereby consents to such assignment as collateral and agrees that the Lender shall have no obligation under the Lease until the Lender notifies the Landlord in writing that the Lender or its designee has exercised its rights under the assignment from the Borrower.

5. Notification. The Landlord agrees to notify any successor in interest to the Landlord of the terms of this Landlord's Agreement, including any purchaser of the Premises or any subsequent mortgage holder.

6. Binding Nature. This Landlord's Agreement shall be binding upon the successors, assigns and transferees of the Landlord and shall inure to the benefit of the successors and assigns of the Lender.

7. Tenant Allowance. Landlord acknowledges that Borrower's allowance as set forth in the lease, in the amount of \$100,000 in deferred rent ("Tenant Allowance"), has been collaterally assigned to Lender. Landlord further agrees to deliver said Tenant Allowance directly to Lender if and when appropriate and necessary pursuant to the terms of the Lease.

IN WITNESS WHEREOF, the Landlord has executed this Landlord's Agreement the day and year first above written.

FOR LANDLORD:

\_\_\_\_\_  
Matt Lehman, Mayor

\_\_\_\_\_  
William Reynolds, City Administrator

By: \_\_\_\_\_  
Lori Henson, City Clerk