

## COMMERCIAL LEASE

THIS LEASE ("Lease") is made on March 28, 2005 by and between Forest Lake Sportsmens Club of Forest Lake, Minnesota ("Landlord") and FLSC Operations, Inc. ("Tenant").

1. Premises. In consideration of the rents and covenants contained herein, and subject to the terms of this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord that real property which is described on the attached Exhibit A ("Premises").
2. Acceptance of Premises. Tenant accepts the Premises in its present "as is" condition.
3. Term of Lease. This Lease is for a term beginning on April 2, 2005 and ending on April 2, 2010, at which time Tenant shall have nineteen (19) options to EXTEND the Lease, each for a term of five (5) years. Tenant shall provide not less than 30 days written notice of exercise of option.
4. Rent.
  - A. Base Rent. The rent for the Premises is \$ 2,000.00 per month ("Base Rent") which must be paid by Tenant to Landlord, at an address designated by Landlord, in advance of the month for which it is due.
  - B. Additional Rent. All other amounts to be paid by Tenant under this Lease, whether to Landlord or to third parties, shall be considered "Additional Rent" and shall be paid by Tenant on a timely basis as required under this Lease.
5. Security Deposit. Tenant has given Landlord \$ -0- as a security deposit.
6. Quiet Enjoyment. If Tenant pays the Base Rent and Additional Rent, and complies with all other terms of this Lease, Tenant may use the Premises for the term of this Lease.
7. Use of Premises. The Premises shall be used and occupied only as ports facility and any other lawful purpose relating thereto.
8. Right of Entry. Landlord and Landlord's agents may enter the Premises at reasonable hours to repair or inspect the Premises and perform any work that Landlord decides is necessary. In addition, Landlord may show the Premises to possible or new tenants at reasonable hours during the term of this Lease.
9. Assignment and Subletting by Tenant. Tenant may not assign this Lease, sublease the Premises to any other party or permit any other party to use the Premises or any part of the Premises without the prior written consent of Landlord. Any assignment or sublease without Landlord's written consent will not be effective. Any such consent

by Landlord shall not be a waiver of Landlord's rights under this Section as to any subsequent similar action. If Tenant is a corporation, company, partnership, or otherwise is not a natural person, and there shall occur any change in the identity of the parties who are the owners of such entity, or who have the power to participate in the management of the affairs of such entity, then Tenant shall so notify Landlord in writing, and Landlord may terminate this Lease by reason of any such event by written notice to Tenant given at any time within 60 days after receipt of the notice of change in identity from Tenant.

10. Sale of Premises by Landlord. Upon any sale of the Premises, and provided the purchaser assumes all obligations of Landlord under this Lease, Landlord shall thereupon be entirely freed of all obligations of Landlord under this Lease arising from any act, omission or event occurring after such conveyance. Upon such sale and the transfer of Landlord's interest under this Lease, Tenant agrees to recognize and at torn to such transferee, and Tenant agrees upon request to execute and deliver documentation setting forth the provisions of this Section.
11. Utilities. Tenant shall timely pay for all separately metered utilities provided to the Premises during the term of this Lease.
12. Maintenance and Repair. Tenant shall keep the Premises in reasonable repair during the term of this Lease and shall maintain the Premises in compliance with applicable health and safety laws, all at Tenant's sole expense.
13. Real Estate Taxes and Assessments. Tenant shall pay all real estate taxes, including installments of special assessments, which become payable during the term of this Lease.
14. Alterations. Tenant shall not change the heating, electrical, plumbing, ventilation or air conditioning or make any other changes of or alterations to the Premises without the prior written consent of Landlord. Any alterations made by Tenant must comply with applicable codes and ordinances. Tenant may install its usual trade fixtures provided that they do not interfere with or damage the structural, mechanical or electrical systems of the Premises. At the expiration or termination of this Lease, Tenant shall promptly remove Tenant's trade fixtures and repair at its own expense any damage to the Premises resulting from their installation or removal.
15. Surrender of Premises. Tenant shall vacate the Premises at the expiration or termination of this Lease and all alterations, additions, improvements and fixtures (other than Tenant's trade fixtures and signs) which have been made or installed by Tenant shall remain as part of the Premises and shall be the sole property of Landlord. When Tenant vacates the Premises, Tenant shall leave the Premises in as good condition as it was when the lease started, with the exception of reasonable wear and tear. If the Premises are not so surrendered, Tenant shall indemnify Landlord against loss, liability or expense resulting from delay by Tenant in so surrendering the Premises or failure to leave the Premises in the condition required under the Lease

including, but not limited to, claims made by any succeeding tenant founded on such delay. Tenant shall surrender all keys to Landlord at the time Tenant vacates the Premises.

16. Damage of Premises. If the Premises is destroyed or damaged not due to the fault of Tenant or Tenant's guests, invitees or customers, and the Premises is unfit for use as a commercial establishment, Tenant shall not be required to pay rent for the time the Premises cannot be used. If part of the Premises cannot be used, Tenant shall only pay rent for the usable part. If the Premises is damaged or destroyed and the cost of repairing the Premise would exceed 30% of its pre-casualty value (exclusive of land), then Landlord may terminate this Lease within 30 days of the casualty by written notice to Tenant and may elect not to rebuild or repair the Premises, and the rent and other obligations of Tenant under this Lease shall be prorated up to the time of the casualty. If this Lease is not terminated pursuant to this Section, then Landlord shall proceed with reasonable diligence to repair and restore the Premises.

17. Insurance.

A. Tenant shall purchase, in advance, and carry in full force and effect the following insurance:

1. "All Risk" property insurance covering the full replacement value of all of Tenant's leasehold improvements, trade fixtures, inventory and personal property within or about the Premises, covering damage from any cause whatsoever; and
2. Comprehensive general public liability insurance naming both Landlord and Tenant as insured's, covering all acts of Tenants, its employees, agents, representatives and guests on or about the Premises, containing a contractual liability endorsement, in a combined single limit amount of not less than \$1,000,000, and written on an "occurrence" basis.

B. Landlord shall purchase, in advance, and carry in full force and effect commercial property insurance for the full insurable value of the Premises.

18. Risk of Loss; Premises Liability. Landlord shall have no liability to Tenant for any claim relating to injury to or loss of life of persons, or for any damage to, theft of or other loss of property of Tenant on the Premises, by whatever cause. Tenant shall indemnify Landlord from and against all claims of other parties arising from or relating to injury or loss of life of persons, or damage to or loss of property, to the extent occurring in or about the Premises, or arising from Tenant's negligence or intentional misconduct. The said indemnification shall include the duty to pay all reasonable attorneys' fees and costs incurred by Landlord and shall survive the termination or expiration of this Lease.

19. Waiver of Claims and Subrogation. Notwithstanding any other provision in this Lease to the contrary, Landlord and Tenant hereby release one another from any and all

liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage covered by the insurance required by the Lease, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.

20. Condemnation. If any part of the Premises is taken or condemned for a public or quasi-public use, or any transfer made in lieu of condemnation, and a part of the Premises remains which is suitable for the use contemplated by this Lease, this Lease shall terminate only as to the part so taken and shall continue in full force as to the remaining part. The date of termination as to a part so taken shall be the date on which the condemner takes title. The rent payable after that date shall be adjusted so that Tenant shall pay only such portion of the rent as the value of the part remaining bears to the total value of the Premises on the date of the taking. If all the Premises is taken or condemned, or so much is taken that the use by Tenant shall be substantially impaired, Tenant may terminate this Lease by written notice to Landlord, and all obligations of Tenant shall be prorated as of the notice of termination. All compensation awarded upon any condemnation or taking shall go to Landlord.
21. Defaults. If Tenant shall violate either (a) the covenant to pay rent or any other sum due under this Lease and shall fail to comply with such a requirement within five days after notice of such default has been given to Tenant by Landlord, or (b) any other covenant made by Tenant in this Lease and shall fail to comply or begin and diligently prosecute compliance within 15 days after being sent written notice of such violation by Landlord, and thereafter attain compliance within a reasonable time, or (c) file a petition in bankruptcy, or be the subject of a filing of such a petition by another party, or make an assignment for the benefit of creditors, then it shall be optional for Landlord to declare Tenant's right to possession under this Lease forfeited and the Term ended, and to reenter the Premises, with or without process of law, using such force as may be necessary to remove all persons or chattels there from, and Landlord shall not be liable for damages by reason of such reentry or forfeiture; but notwithstanding such re-entry by Landlord, the liability of Tenant for all rents and covenants provided for herein shall not be relinquished or extinguished for the balance of the Term of this Lease. Tenant shall pay, in addition to the rentals and other sums agreed to be paid hereunder: such additional sums as the court may adjudicate reasonable as attorneys' fees in any suit or action instituted by Landlord to enforce the provisions of this Lease or the collection of the rentals due Landlord hereunder; together with all expenses incurred by Landlord in performing any of Tenant's obligations under this Lease, re-entering or terminating the Lease, reletting the Premises, collecting sums due and payable by Tenant, and the expense of placing and keeping the Premises in good order and repair. Landlord shall take reasonable steps to mitigate its damages as a result of Tenant's violation of this Lease and Tenant shall receive credit for any amount received by Landlord from other tenants leasing the Premises.

In the event of default by Tenant, Landlord may, but shall not be obligated to, cure such default for the account of and at the expense of Tenant. If Landlord expends any

sum of money fulfilling an obligation of Tenant under the Lease, or incurs any expense, including reasonable attorneys' fees, in instituting or prosecuting any action to enforce Landlord's rights under the Lease, the sum or sums so paid by Landlord, with interest thereon at the rate of 10% per annum from the date of payment, shall be deemed to be Additional Rent hereunder and shall be due from Tenant to Landlord on the first day of the month following the payment of such sums or expenses.

22. Abandonment of Tenant Property. If Tenant fails to remove any of Tenant's personal property, fixtures or equipment at the expiration or termination of this Lease, Landlord may consider such items to have been abandoned by Tenant and Landlord may then dispose of such items in any manner that Landlord thinks is proper, including their retention, sale or destruction, all without liability for such actions to Tenants.
23. Heirs and Assigns. The terms of this Lease apply to Tenant and Landlord, and also to any heirs, legal representative, successors and assigns of Tenant or Landlord.
24. Notice. Any notice, demand or request to be given by a party hereto shall be personally delivered, sent by certified mail, or sent via a nationally recognized courier service that issues a receipt, to the other party at the address set forth for that party below (or to such other address as may be designated by notice to the other party), and shall be deemed given upon the earlier of personal delivery, two days after the date postmarked, two days after depositing with such courier for delivery or upon the refusal to accept such service.

Address for Notice to Landlord:            Forest Lake Sportsmens Club  
   of Forest Lake, Minnesota  
   4648 240<sup>th</sup> Street North  
   Forest Lake, MN 55025

Address for Notice to Tenant:            FLSC Operations, Inc.  
   4648 240<sup>th</sup> Street North  
   Forest Lake, MN 55025

25. Environmental Requirements. Tenant shall comply with all laws, governmental standards and regulations applicable to Tenant or the Premises in respect to occupational health and safety, hazardous waste and substances and environmental matters. Tenant shall promptly notify Landlord of its receipt of any notice of a violation of any such law, standard or regulation. Tenant agrees to indemnify and hold Landlord harmless from all loss, costs, damage, claim and expense incurred by Landlord on account of Tenant's failure to perform the obligations of this provision. The obligations of Tenant under this provision shall survive the expiration or termination of this Lease as to any such loss, costs, damage, claim and expense attributable to or arising out of activities or misfeasance of Tenant during the term of this Lease or its extension or renewal.

26. Option to Renew. In the event Tenant is not in default under this Lease at the time this option is exercised, Tenant shall have the option to renew this Lease for nineteen (19) successive periods of time of five (5) years each under the same terms and conditions contained in this Lease, except that the amount of Base Rent shall be adjusted as follows:

At the commencement of each successive year during the option period, the Base Rent provided in Section 4 shall be adjusted according to changes in the "Consumer Price Index," as hereinafter defined. Such adjustment shall be accomplished by multiplying the Base Rent by a fraction, the numerator of which shall be the Consumer Price Index as of the most recent date prior to the date of such adjustment, and the denominator of which shall be the Consumer Price Index as of the date next preceding the execution of this Lease. In no event shall the Base Rent be reduced below the amount paid in the prior year. The "Consumer Price Index" is hereby defined to be the United States City Average - All Urban Consumers Index published by the U.S. Bureau of Labor Statistics.

To exercise this option, Tenant must give written notice to Landlord of Tenant's exercise of the option at least 90 days prior to the expiration of this Lease. In the event said written notice is not timely given, this Lease will expire at the end of its term.

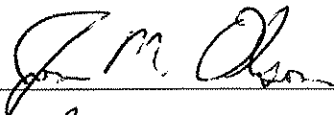
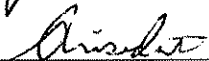
IN WITNESS WHEREOF, the parties hereto have executed this Lease in manner sufficient to bind them as of the day and year first above written.

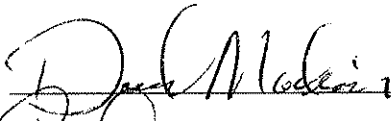
LANDLORD:

TENANT:

FOREST LAKE SPORTSMENS CLUB  
OF FOREST LAKE, MINNESOTA

FLSC OPERATIONS, INC.

By:   
Its: 

By:   
Its: 