DISCLAIMER: These documents are provided by Wendt CRS, Inc. as a complimentary service to visitors and guests of our website AND ARE TO BE USED FOR EDUCATIONAL PURPOSES ONLY. We make no representations as to the accuracy or completeness of these documents. We are not attorneys nor licensed to advise you on the law or prepare legal forms for you. These documents are not a substitute for legal or tax advice. Anyone contemplating the purchase, sale, lease, management and/or development of real estate or business investments should seek the services of competent legal and tax advisors. By choosing to use this document or any other downloads from Wendt CRS, Inc., you hereby agree to hold Wendt CRS, Inc. and any of its agents or employees harmless for any damage, loss or injury that you incur.

**This Collection of Lease Stipulations is only meant to help the reader become aware of what to expect and NOT to be used in part, or in whole for any legal agreement whatsoever.**

[**Go t****o Table of Contents…**](#CONTENTS)

**AGENT COMMISSIONS:**

Landlord and Tenant hereby acknowledge that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has acted as an agent for Landlord in this transaction and \_\_\_\_\_\_\_\_\_\_ has acted as an agent for Tenant in this transaction and both (collectively, “Agents”) will be paid a real estate commission by Landlord. The commission to be paid in conjunction with the creation of the relationship by this Lease has been negotiated between Landlord and Agents and Landlord hereby agrees to pay Agents as compensation for Agent’s services in procuring this Lease and creating the aforesaid landlord-tenant relationship as follows:

**"AS IS" CLAUSE**

 Tenant hereby accepts the space "as is", "where is" without any warranties of any kind. Any construction required for Tenant's business shall be at Tenant's sole cost and expense. Tenant acknowledges that it is Tenant's sole responsibility to obtain all construction permits required by the appropriate governmental authorities, to comply with and pay for the cost of complying with all requirements of the building inspection and Fire Marshall of       County, and to obtain the necessary Certificates of Occupancy from the Building Department and the Fire Marshall (a copy of which shall be furnished Landlord).

 It is further agreed and understood that Tenant must obtain the appropriate permits for construction from all responsible governmental departments and furnish a copy of same to Landlord prior to the start of any construction.

 Neither Landlord nor Agent has made any representations as to the permitability of the Premises for Tenant's use or the costs to complete the space to meet Tenant's needs and comply with the County requirements. These matters are at the Tenant's full risk, cost and expense.

**AUTHORITY**: If Tenant executes this Lease as a corporation, each of the persons executing this Lease on behalf of Tenant does hereby personally represent and warrant that Tenant is a duly incorporated or a duly qualified (if a foreign corporation) corporation and is fully authorized and qualified to do business in the state in which the Demised Premises are located, that the corporation has full right and authority to enter into this Lease, and that each person signing on behalf of the corporation is an officer of the corporation and is authorized to sign on behalf of the corporation. If Tenant signs as a partnership, joint venture or sole proprietorship or other business entity (each being herein called “Entity”), each of the persons executing on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing Entity, that Tenant has full right and authority to enter into this Lease, that all persons executing this Lease on behalf of the Entity are authorized to do so on behalf of the Entity, and that such execution is fully binding upon the Entity and its partners, joint venturers or principal, as the case may be. Upon the request of Landlord, Tenant shall deliver to Landlord documentation satisfactory to Landlord evidencing Tenant’s compliance with this Article, and Tenant agrees to promptly execute all necessary and reasonable applications or documents as reasonably requested by Landlord, required by the jurisdiction in which the Demised Premises is located, to permit the issuance of necessary permits and certificates for Tenant’s use and occupancy of the Demised Premises.

**AUTHORIZATION:**

Owner represents that it has the full right, title, authority and capacity to execute this agreement, and the person signing on behalf of Owner individually represents that he or she has full authority to sign.

or;

The parties hereto represent and warrant that each has full right, power and lawful authority to execute, deliver and perform its obligations under this Agreement, in the manner and upon the terms contained herein, with no other person needing to join in the execution hereof in order for this Agreement to be binding.

**CERTAIN REQUIREMENTS OF TENANT**

The following documents are to be provided by Tenant to Landlord on the dates set forth below as part of the Lease.

Should Tenant not provide the documents by the dates set forth below, the following late fees, plus interest per the Lease, will be due from Tenant:

|  |  |  |  |
| --- | --- | --- | --- |
| **Lease Section** | **Item** | **Date Due** | **Late Fee** |
| Section 6.2 | Maintenance | 45 days after acceptance | $100.00 |
|  | Agreement for | of Demised Premises and |  |
|  | HVAC | Annually thereafter |  |
|  |  |  |  |
| Section 5.1(f) | Insurance Certificate | 15 days prior to acceptance | $100.00 |
|  |  | of Demised Premises and |  |
|  |  | Annually thereafter |  |
|  |  |  |  |
| Section 4.2(f) | Pest Contract | 15 days prior to acceptance | $100.00 |
|  |  | of Demised Premises and |  |
|  |  | Annually thereafter |  |
|  |  |  |  |
| Section 2.4 | Sales Reports  | Fifteenth day of each | $100.00 |
|  |  | Month |  |
|  |  |  |  |
| Section 11.18 | Estoppel Certificate | 10 days after request by | $100.00 |
|  |  | Landlord. |  |

**COMMENCEMENT CLAUSE:**

**Simple Commencement.** The date on which possession of Premises is taken by Tenant will establish the commencement of rent on this Lease if possession is taken before the \_\_\_\_\_ Premises to be ready for occupancy on \_\_\_\_\_. If for any reason Landlord fails to deliver Premises ready for occupancy on the above date, this Lease shall remain in full for force and effect and Landlord shall have no liability to Tenant due to delay in occupancy and rental shall commence when Premises are ready for occupancy. If a delay in having Premises ready for occupancy is occasioned by Tenant, or if Premises are ready for occupancy on the above date but Tenant does not take occupancy, rental in either case will commence as of \_\_\_\_\_.

**Occupancy Commencement.** Landlord to deliver the space \_\_\_\_\_\_\_\_\_\_\_\_\_. If occupancy as to be provided under the Lease pursuant to the terms thereof is after \_\_\_\_\_\_\_, due to no fault of Tenant, Tenant shall either (a) have the right, but not the obligation, to terminate the lease upon written notice to the Landlord, or (b) be compensated by the Landlord in an amount equal to one (1) week of free rent for every day of delay beyond \_\_\_\_\_\_\_\_\_. Should Tenant elect not to notify Landlord of Tenant’s intentions, option (b) will come into effect.

**COMPLIANCE WITH LAWS:**

Tenant shall, at Tenant’s sole expense. (a) comply with all laws, orders, ordinances, and regulations of federal, state, county, and municipal authorities having jurisdiction over the Premises, including, without limitation, the Americans with Disabilities Act, (b) comply with any directive, order or citation made pursuant to law by any public officer requiring abatement of any nuisance or which imposes upon Landlord or Tenant any duty or obligation arising from Tenant’s occupancy or use of the Premises or from conditions which have been created by or at the request or insistence of Tenant, (c) comply with all insurance requirements applicable to the Premises and (d) indemnify and hold Landlord harmless from any loss, cost, claim or expense which Landlord incurs or suffers by reason of Tenant’s failure to comply with its obligations under clauses (a), (b) or (c) above. If Tenant receives notice of any such directive, order citation or of any violation of any law, order, ordinance, regulation of any insurance requirement. Tenant shall promptly notify Landlord in writing of such alleged violation and furnish Landlord with a copy of such notice.

 Tenant shall not use or permit the use of the Premises any portion of the Project for the storage, treatment, use, production or disposal of any hazardous substances or hazardous waste (as those terms are defined under CERCLA or RCRA or any other applicable federal, state or local environmental protection laws.) Tenant does hereby indemnify and hold Landlord harmless from and against any and all damage to any property, penalties, expenses, claims, losses or liabilities or injury to or death of any person as a result of Tenant’s violation of the foregoing provision. Tenant’s indemnity shall include the obligation to reimburse Landlord for any and all costs and expenses (including reasonable attorney’s fees) incurred by Landlord, its agents or employees as a result of Tenant’s violation.

**CONTINGENCY – OBTAINING PERMITS**

This Lease, and all of the obligations of Landlord and Tenant herein, shall be contingent upon Tenant obtaining (i) all necessary governmental permits, approvals and licenses (the “Permits”), and (ii) capital financing (the “Financing”) for the operation of Tenant's business in the Premises in accordance with the Use of Premises defined in Subparagraph 1.1(M) of this Lease. Tenant agrees to diligently pursue obtaining such Permits and Financing. Tenant shall be deemed to be diligently pursuing the Permits and Financing if Tenant is in compliance with the following: (i) Tenant submits to the proper governmental and banking authorities all required documents detailed in full to obtain all Permits and Financing within fifteen (15) days after the Effective Date; (ii) Tenant pays in a timely manner all fees required by the governmental and banking authorities in order to obtain the Permits and Financing, and (iii) Tenant cooperates with the governmental and banking authorities by submitting additional information or documents as required by the governmental and banking authorities in a timely manner and by responding to any questions or comments from the governmental and banking authorities in a timely manner. In the event Tenant is unable to obtain the Permits and Financing as set forth above within ninety (90) days from the Effective Date, Tenant shall have the right to terminate this Lease upon ten (10) days’ prior written notice to Landlord, whereupon the notice of termination by Tenant shall be null and void. In the event Tenant elects to terminate this Lease in accordance with the foregoing due to the failure to obtain the Permits, Landlord shall refund the Initial Payment and the Security Deposit

**COUNTERPARTS**.

This Agreement may be executed by the parties hereto by any one (1) or by any combination of the following methods: (a) by original signature, (b) in counterparts, in which case any executed counterpart, when taken with another executed counterpart or counterparts, shall constitute an original hereof, (c) by facsimile signature, which may be in counterpart, which facsimile signature shall constitute an original signature; or (d) by emailed signatures sent as an Adobe Acrobat file, which may be in counterpart, which emailed signatures shall constitute original signatures.

**DEFAULT AND REMEDIES:**

The occurrence of any one or more of the following events shall constitute an Event of Default (herein so called) of Tenant under this Lease: (a) if Tenant fails to pay any Rent hereunder as and when such Rent becomes due and such failure shall continue for more that five (5) days after Landlord gives Tenant notice of past due Rent; (b) if Tenant fails to pay Rent on time more than three (3) times in any period of twelve (12) months, notwithstanding that such payments have been made within the applicable cure period; (c) if the Premises become vacant, deserted, or abandoned for more than ten (10) consecutive days or if Tenant fails to take possession of the Premises on the Commencement Date or promptly thereafter; (d) if Tenant permits to be done anything which creates a lien upon the Premises and fails to discharge or bond such lien or post such security with Landlord as is required by Article \_; (e) if Tenant violates the provisions of Article \_ by attempting to make an unpermitted assignment or sublease; (f) if Tenant fails to maintain in force all policies of insurance required by this Lease and such failure shall continue for more than ten (10) days after Landlord gives Tenant notice of such failure; (g) if any petition is filed by or against Tenant or any guarantor of this Lease under any present or future section or chapter of the Bankruptcy Code, or under any similar law or statute of the United States or any state thereof (which, in the case of an involuntary proceeding, is not permanently discharged, dismissed, stayed, or vacated, as the case may be within sixty (60) days of commencement), or if any order for relief shall be entered against Tenant or any guarantor of this Lease in any such proceedings; (h) if Tenant or any guarantor of this Lease becomes insolvent or makes a transfer in fraud of creditors or makes an assignment for the benefit of creditors; (I) if receiver, custodian, or trustee is appointed for the Premises for all or substantially all of the assets of Tenant or of any guarantor of this Lease, which appointment is not vacated within sixty (60) days following the date of such appointment; (j) if Tenant fails to perform or observe any other terms of this Lease and such failure shall continue for more than ten (10) days after Landlord gives Tenant notice of such failure, or, if such failure cannot be corrected within such ten (10) day period, if Tenant does not commence to correct such default within said ten (10) day period and thereafter diligently prosecute the correction of same to completion within a reasonable time and in any event prior to the time a failure to complete such correction could cause Landlord to be subject to prosecution for violation of any law, rule, ordinance or regulation or causes, or could cause a default under any mortgage, underlying lease, tenant leases or other agreements applicable to or could cause a default under any mortgage, underlying lease, tenant leases or other agreements applicable to the Project; of (k) if Tenant fails to perform any term (other than the payment of Rent) of this Lease more than three (3) times in any period of twelve (12) months, notwithstanding that Tenant has corrected any previous failures within the applicable cure period, provided that Landlord has given Tenant prior written notice of each such failure to perform, and each such failure has continued for more than ten (10) days after such notice.

 Upon the occurrence of any Event of Default, Landlord shall have the right, at Landlord’s option, to elect to do any one or more of the following without further notice or demand to Tenant: (a) terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and, if Tenant fails to so surrender, Landlord shall have the right, without notice, to enter upon and take possession of the Premises and to expel or remove Tenant and its effects without being liable for prosecution or any claim for damages therefore; and Tenant shall, and hereby agrees to, indemnify Landlord for all loss and damage which Landlord suffers by reason of such termination, including damages in an amount equal to the total of (1) the costs of recovering the Premises and all other expenses incurred by Landlord in connection with Tenant’s default; (2) the unpaid Rent earned as of the date of termination, plus interest at the Interest Rate; (3) all other sums of money and damages owing by Tenant to Landlord, and (4) an amount which, at the date of such termination represents the present value (determined by using a discount rate equal to the then average rate for Moody’s “AAA” rate corporate bonds with maturities equal to the Remaining Term (as hereinafter defined) of the excess, if any, of (I) the Rent, Base Rent, Additional Rent, and all other charges and sums which would have been payable hereunder by Tenant for the period commencing with the day following the date of such termination and ending with the stated expiration date of the Term, as extended (hereinafter referred to as the “Remaining Term”), over (II) the aggregate reasonable rental value of the Premises for the same period, all of which present value of such excess sum shall be deemed immediately due and payable (in determining the aggregate reasonable rental value pursuant to item (II) above, the parties hereby agree that all reasonable and relevant factors shall be considered as of the time Landlord seeks to enforce such remedy, including, but not limited to (A) the length of time remaining in the Term of this Lease, (B) the then-current market conditions in the general area in which the Premises are located, (C) the likelihood of reletting the Premises for a period of time equal to the Remaining Term, (D) the net effective rental rates (taking into account all concessions) then being obtained for space of similar type and size in similar type buildings in the general area in which the Premises are located, (E) the vacancy levels in comparable quality developments in the general area in which the Premises are located, (F) the anticipated duration of the period the Premises will be unoccupied prior to reletting, (G) the anticipated cost of reletting, and (H) the current levels of new construction will likely affect vacancy rates and rental rates in comparable quality developments in the general area in which the Premises are located; such payment shall be and constitute Landlord’s liquidate damages, Landlord and Tenant acknowledging and agreeing that it is difficult to determine the actual damages Landlord would suffer from Tenant’s default and that the agreed upon liquidated damages are not punitive or penalties and are just, fair and reasonable or (b) enter upon and take possession of the Premises without terminating this Lease and without being liable to prosecution or any claim damages therefore, and, if Landlord elects, relet the Premises on such terms as Landlord deems advisable, in which event Tenant shall pay to Landlord on demand the cost of repossession, renovating, repairing and altering the Premises (the cost of such renovating, repairing and altering the Premises not to exceed $7.50 per square foot of Rentable Area of the Premises) for a new tenant or tenants and any deficiency between the Rent payable hereunder and the rent paid under such reletting; provided, however, that Tenant shall not be entitled to any excess payments received by Landlord from such reletting. Landlord’s failure to relet the Premises shall not release or affect Tenant’s liability for Rent or for damages; or (c) enter the Premises without terminating this Lease and without being liable for prosecution or any claim for damages therefore and maintain the Premises and repair or replace any damage thereto or do anything for which Tenant is responsible hereunder. Tenant shall reimburse Landlord immediately upon demand for any expenses which Landlord incurs in thus effecting Tenant’s compliance under this Lease, and Landlord shall not be liable to Tenant for any damages with respect thereto.

No agreement to accept a surrender of the Premises and no act or omission by Landlord or Landlord’s agents during the Term shall constitute an acceptance or surrender of the Premises unless made in writing and signed by Landlord. No re-entry or taking possession of the Premises by Landlord shall constitute an election by Landlord to terminate this Lease unless a written notice of such intention is given to Tenant. No provision of the Lease shall be construed as an obligation upon Landlord to mitigate Landlord’s damages under this Lease.

 No provision of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing and signed by Landlord. Landlord’s acceptance of Rent following an Event of Default hereunder shall not be construed as a waiver of such vent of Default. No custom or practice which may grow up between the parties in connection with the terms of this Lease shall be construed to waive or lessen Landlord’s right to insist upon strict performance of the terms of this Lease, without a written notice thereof to Tenant from Landlord.

 The rights granted to Landlord in this Article \_ shall be cumulative of every other right or remedy provided in this Lease or which Landlord may otherwise have at law or in equity or by statute, and the exercise of one or more rights or remedies shall not constitute an election of remedies, prejudice or impair the concurrent or subsequent exercise of other rights or remedies or constitute a forfeiture or waiver of Rent or damages accruing to Landlord by reason of any Event of Default under this Lease. Tenant agrees to pay Landlord all costs and expenses incurred by Landlord in the enforcement of this Lease, including all attorney’s fees incurred in connection with the collection of any sums due hereunder or the enforcement of any right or remedy of Landlord.

 **EXAMINATION NOT OPTION**

 Submission of this Lease shall not be deemed to be a reservation of the Premises. Landlord shall not be bound by this Lease until it has received a copy of this Lease duly executed by Tenant and has delivered to Tenant a copy of this Lease duly executed by Landlord, and until such delivery Landlord reserves the right to exhibit and lease the Premises to other prospective tenants. Notwithstanding anything contained in this Lease to the contrary, Landlord may withhold delivery of possession of the Premises from Tenant until such time as Tenant has paid to Landlord any security deposit required by Article , the first month’s rent as set forth in Article and any sum owed pursuant to this Lease.

**EXCLUSIVE USE**

 1. The Restriction. Subject to the conditions and exceptions mentioned below, Landlord agrees that during the original term of this lease Landlord will not execute any lease for space within the Shopping Center with a tenant whose principal business activity is consumer finance, specializing in providing personal loans, automobile loans, and mortgage loans. The restriction must comply with Paragraph 1.11 of the lease agreement. This restriction excludes any current retailer within the Shopping Center.

 2. Conditions. The restriction described above shall apply only as long as all of the following conditions exist:

 a. Tenant is occupying the Demised Premises doing business in the manner permitted by subsection \_\_\_\_\_\_ of this Lease;

 b. Tenant has timely paid as due all rentals and other charges prescribed in this lease; and

 c. Tenant has not been in default with regard to any obligations prescribed in this lease.

Upon the failure of one or more of the above conditions, the restriction upon the Shopping Center shall automatically cease and shall thereafter be of no further force or effect.

 3. Exceptions. The following exceptions apply to the restriction described above:

 a. The restriction shall not apply after the conclusion of the Lease term described in subsection \_\_\_\_\_\_\_ of this Lease, notwithstanding any renewal or extension of this lease, which would result in Tenant's continued occupancy of the Demised Premises after the conclusion of the original term.

 b. The restriction shall not apply to any existing tenants in the Shopping Center, nor shall it apply to renewals or extensions of leases, which pre-date the date of this Lease.

 c. The restriction shall not apply to any land located outside the present boundaries of the Shopping Center.

 d. If a court of competent jurisdiction or a governmental agency should determine the restriction to be illegal or unenforceable, or if Landlord and Tenant should agree that the restriction is illegal or unenforceable, the restriction shall automatically cease and shall thereafter be of no further force or effect; moreover, Landlord and Tenant further agree that in such event the remainder of this lease will continue in full force and effect.

 e. If Landlord gives written notice to Tenant that a prospective tenant in violation of the restriction has requested that Landlord negotiate with it for space in the Shopping Center, then the restriction shall automatically cease and shall thereafter be of no further force or effect unless Tenant, within ten days after the delivery of Landlord's notice, agrees in writing to indemnify Landlord and hold Landlord harmless from all liability, legal actions (including, without limitation, court costs and attorneys' fees), expense and loss incurred by Landlord and related in any way to Landlord's attempts to comply with the restriction.

**EXCULPATION OF LANDLORD:**

Anything contained in this Lease to the contrary notwithstanding, Tenant agrees that Tenant will look solely to the estate and property of Landlord in the Property for the collection of any judgement or other judicial process requiring the payment of money by Landlord or any default or breach by Landlord under this Lease, subject however, to the prior rights of any mortgagee or lessor of the Property. No other assets of Landlord or any partners, shareholders, or other principals of Landlord shall be subject to levy, execution or other judicial process for the satisfaction of Tenant’s claim.

**FIRST RIGHT OF REFUSAL:**

Provided Tenant is not in default of any provision hereunder, Tenant shall have a one time first right of refusal on the adjacent space, Suite \_\_. Tenant shall have ten (10) calendar days from the time a bona fide offer is received by Landlord on Suite \_\_ to respond, in writing, with an offer greater than or equal to the offer received by the Landlord from the other party. Should Tenant fail to respond within said ten (10) day period, this right of first refusal shall become null and void.

**FREE RENT CLAUSE:**

Notwithstanding anything contained in this Lease to the contrary, the minimum rent in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_ per month for each of the first \_\_\_\_\_\_\_\_\_\_ (\_\_) months of the term shall be deferred until the end of the Lease term, and provided all of the rent and charges due pursuant to the Lease have been paid, such deferred rent will thereupon be waived by the Landlord. However, in the event of a default under this Lease by the Tenant at any time during the initial term or any renewal term, such deferred rent payments shall at the option of the Landlord, be immediately due and payable.

**Alternative:** RENT INDUCEMENTS. The Rent Inducements are absolutely and irrevocably due and payable by Tenant to Landlord on the Effective Date as accrued and presently due as additional rent, and not as damages or a penalty, subject only to the potential waiver thereof by Landlord as expressly set forth in this Paragraph 2.4. Based upon the covenant of Tenant to perform all obligations of Tenant under this Lease throughout the entire Lease Term in timely and exact accordance with the terms of this Lease, Landlord has agreed to defer the right to receive payment of the Rent Inducements until the earlier to occur of (A) the Termination Date, or (B) the date of Default Termination, rather than at the Effective Date. In the event that no Default Termination occurs, then on the Termination Date Landlord shall, at such time and in such event, waive the right to collect the Unamortized Portion of the Rent Inducements, but in no other event shall there be any such waiver. Nothing contained in this Lease shall create any Rent Inducements, except to the extent that Rent Inducements are expressly provided for in this Lease. The recovery of Rent Inducements is not an exclusive remedy available to Landlord in the event of Tenant Default, but is an additional remedy.

**HOLDOVER ISSUES:**

Should Tenant continue to hold any portion of the Premises after the expiration or earlier termination of the Lease, such holding over, unless otherwise agreed to by Landlord in writing, shall constitute and be construed as a tenancy at sufferance at monthly installments of Rent equal the greater of two hundred percent (200%) of the monthly portion of Rent in effect as of the date of expiration or earlier termination or two hundred percent (200%) of the fair market rental value of the Premises, and subject to all of the other terms, charges and expenses set forth herein except any right to renew this Lease or to expand the Premises or any right to additional services. The foregoing sentence shall in no event be construed to permit such holding over without Landlord’s consent. Tenant shall also be liable to Landlord for all damages (including consequential damages) which Landlord suffers because of any holding over by Tenant, and Tenant shall indemnify Landlord against all claims made by any other tenant or prospective tenant against Landlord resulting from delay by Landlord in delivering possession of the Premises to such other tenant or prospective tenant. The provisions of the Article \_\_ shall survive the expiration or earlier termination of this Lease.

**HVAC W****ARRANTY**

Notwithstanding the foregoing, and in addition thereto, for eighteen (18) months after the Commencement date (the “HVAC Warranty Period”) Landlord shall bear all costs of maintenance and repair of the HVAC system serving the Premises. Upon expiration of the HVAC Warranty Period, Tenant agrees to pay up to Five Hundred and No/100 Dollars ($500.00) per incident above and beyond the annual cost of a maintenance agreement for the HVAC systems should the HVAC systems fail or have other mechanical problems. Landlord will pay all expenses in excess of Five Hundred and No/100 Dollars ($500.00) per incident should the HVAC systems fail or have other problems.

**IMPROVEMENT CREDIT ISSUES:**

# Tenant Improvement Allowance

 Tenant shall be entitled to a one-time tenant improvement allowance (the “Tenant Improvement Allowance”) in an amount of \_\_\_\_\_\_\_ and No/100ths Dollars ($\_\_\_\_\_\_\_). Tenant shall be entitled to use all of the Tenant Improvement Allowance for improvements to the Premises under this Lease. The Tenant Improvement Allowance may be used for the following:

i. Payment of the cost of preparing the space plan and the Final Working Drawings as is defined in Section \_\_. The Tenant Improvement Allowance will not be used for the payment of Non-Standard Improvements not included within the scope of Landlord’s Specifications.

1. The payment of plan check, permit and license fees relating to construction of the Tenant Improvements.
2. Construction of the Tenant Improvements, including, without limitation, the following:
3. Installation within the Premises of all partitioning, doors, floor coverings, ceilings, painting, millwork and similar items;
4. All electrical wiring, lighting fixtures, outlets and switches, and other electrical work to be installed within the Premises, or additional panels or transformer to accommodate Tenant’s requirements;
5. The furnishing and installation of all duct work, terminal boxes, diffusers and accessories required for the completion of the heating, ventilation and air conditioning systems within the Premises;
6. All fire and life safety control systems, such as fire walls, sprinklers, halon, fire alarms, including piping, wiring and accessories, installed within the Premises;
7. All plumbing, fixtures, pipes and accessories to be installed within the Premises;
8. Testing and inspection costs;
9. Contractor’s fees, including but not limited to any fees based on general conditions;
10. Construction management by Landlord’s representative for the supervision of the Tenant Improvement installation;
11. Other expenses incurred by Tenant in connection with this Lease and the renovation of the Premises

Not withstanding Section \_\_ below, performance bonds shall not be required by Landlord if Landlord or \_\_ performs construction management services in connection with the Tenant improvements, in which event Landlord or \_\_ shall select the contractors and subcontractors to perform the work and Tenant agrees to pay a construction management fee in an amount equal to five percent (5%) of the first $\_\_\_\_ of costs to complete the Tenant Improvements; the fee due Landlord or \_\_\_, as the case may be, shall reduce to four percent (4%) for the costs to complete the Tenant Improvements in excess of $\_\_\_ up to $\_\_\_; to the extent that the costs to complete the Tenant Improvements exceeds $\_\_\_, the fee due Landlord or \_\_\_, as the case may be, shall reduce to three percent (3%) of such amounts over $\_\_\_.

 In the event that neither Landlord nor \_\_\_ serves as the construction manager for the completion of the Tenant improvements, Tenant agrees to pay (upon substantial completion of the Tenant Improvements) a construction coordination fee to either Landlord or \_\_ (pursuant to the written direction from Landlord) in an amount equal to one percent (1%) of the costs to complete the Tenant Improvements. The construction coordination services to be provided by Landlord or \_\_\_ in this scenario would include: (1) review of Working Drawings, Space Plan, Final space Plan and final Working Drawings, (2) periodic inspections to confirm that the Tenant Improvements comply with Landlord’s Specifications and construction standards, (3) consultation with Tenant and its contractor during the construction period, and (4) final inspection for adherence to the Final Working Drawings, the Specifications and the Final Space Plan and other relevant plans and specifications, along with confirmation of the Tenant Improvements’ compliance with the provisions of this Lease and to verify the appropriate amount of the Tenant Improvement Allowance.

 In no event shall Landlord be obligated to make disbursements pursuant to this Work Letter in a total amount which exceeds the Tenant Improvement Allowance and in no event shall the Tenant Improvement Allowance be utilized for any trade fixtures, furniture or equipment of Tenant. All Tenant Improvements for which the Tenant Improvement Allowance has been made available shall be deemed Landlord’s property upon the expiration or earlier termination of the term of this Lease and may not be removed by Tenant from the Premises at any time unless so stated by Landlord or as agreed to previously in the Lease. Tenant shall not be entitled to any payment or credit for any unused portion of the Tenant Improvement Allowance.

 Any Non-Standard Improvements made shall remain on and be surrendered with the Premises upon expiration of the Term, except that Landlord may, at the time of Landlord’s approval of Tenant’s plans, elect to require Tenant to remove any Non-Standard Improvements which are intended to be made to the premises. If Landlord so elects, at its own cost Tenant shall restore the Premises to the condition designated by Landlord in its election, before the last day of the term or within 30 days after notice of its election is given, whichever is later.

# Disbursement of the Tenant Improvement Allowance

The Tenant Improvement Allowance shall be disbursed by Landlord at the completion of the construction of the Tenant Improvements, which disbursement shall be made pursuant to Landlord’s disbursement process for costs related to the design, permitting, construction and installation of the Tenant Improvements as defined in Section \_ and for the following items and costs (collectively, the :Tenant Improvement Allowance Items”): (i) payment of the fees incurred by, and the costs of documents and materials supplied by, Landlord and Landlord’s consultants in connection with the preparation and review of the “Approved Working Drawings.” As that term is defined in Section \_ of this Work Letter; (ii) the cost of any changes in the Base, Shell and Core required by the Approved Working Drawings; (iii) the cost of any changes to the Approved Working Drawings or Tenant improvements required by applicable building codes; and (iv) the fees payable to the Landlord or \_\_ as contemplated by Section \_ of this Work Letter. In addition, the parties acknowledge that the cost associated with changing any finish as it relates to the relocation of the main entry to the Premises shall be a charge to the Tenant Improvement Allowance.

 Subject to the provisions of the Tenant Work Letter, following completion of construction of the Premises, a check for the Tenant Improvement Allowance payable to Tenant and/or Tenant’s Agents (as applicable) shall be delivered by Landlord to Tenant only after (i) Tenant delivers to Landlord properly executed final unconditional lien releases from all subcontractors, materialmen, laborers, and suppliers in compliance with local codes and a Final Affidavit of Lien Waiver from the Contractor as attached to this Exhibit; (ii) Architect delivers to Landlord a certificate, in a form reasonably acceptable to Landlord, certifying that the construction of the Tenant Improvements in the Premises has been completed; (iii) a Notice of Completion is recorded in the office of the recorder of \_\_\_\_\_\_\_\_\_ County in accordance with applicable law; (iv) delivery to Landlord of two (2) sets of copies of the final as-built drawings and specifications; (v) a certificate of occupancy; and (vi) delivery to Landlord of originals of all warranties, guaranties, and operating manuals and information relating to the improvements, equipment, and systems in the Premises. Landlord shall only be obligated to make a disbursement from the Tenant Improvement Allowance for costs that are incurred by Tenant for Tenant Improvement Allowance items.

 Tenant’s request for payment shall be deemed Tenant’s acceptance and approval of the work furnished and/or the materials supplied as set forth in Tenant’s payment request. Once Landlord has received all of the required information and documentation, Landlord shall deliver a check within 30 days to Tenant and/or Tenant’s Agents (as applicable) in payment of the lesser of : (A) the amounts so requested by Tenant, as set forth above in this Section \_, and (B) the balance of any remaining available portion of the Tenant Improvement Allowance, unless Landlord determines that any work does not comply with the “Approved Working Drawings,” as that term is defined in Section \_, or that any work is substandard. Landlord will notify Tenant and Tenant agrees to use commercially reasonable efforts to cause such work to be corrected. Landlord’s payment of such amounts shall not be deemed Landlord’s approval or acceptance of the work furnished or materials supplied as set forth in Tenant’s payment request.

**INSURANCE:**

 *Section \_\_.*

1. Tenant as its sole expense, shall obtain and keep in force during the Term the following insurance: (a) “All Risk” insurance insuring the Improvements, Tenant’s interest in the Premises and all property located therein, including furniture, equipment, fittings, installations, fixtures, supplies and any other personal property, leasehold improvements and alterations (Tenant’s Property”), in an amount equal to the full replacement value, it being understood that no lack or inadequacy of insurance by Tenant shall in any event make Landlord subject to any claim by virtue of any theft of or loss or damage to any uninsured or inadequately insured property; (b) Business Interruption insurance in an amount that will reimburse Tenant for direct or indirect loss of earnings attributable to all perils insured against under Section \_\_(a) or attributable to the prevention of access to the Premises by civil authority; and sufficient to reimburse Tenant for Rent in the event of a casualty to, or temporary taking of, the Building or the Premises; (c) Commercial general liability insurance written on an occurrence basis including personal injury, bodily injury, broad form property damage, operations hazard, owner’s protective coverage, contractual liability, with a cross liability clause and a severability of interests clause to cover Tenant’s indemnities set forth herein, and products and completed operations liability, in limits not less than $2,000,000.00 inclusive per occurrence or such higher limits as Landlord may require from time to time during the Term; (d) Worker’s Compensation and Employer’s Liability insurance, with a waiver of subrogation endorsement, in form and amount as required by applicable law; and (e) In the event Tenant performs any repairs or alterations in the Premises, Builder’s Risk insurance on an “All Risk” basis (including collapse) on a completed value (non-reporting) from for full replacement value covering all work incorporated in the Building and all materials and equipment in or about the Premises; (f) tenant’s “All Risk” Legal Liability insurance for the replacement cost value of the Premises; and (g) any other form or forms of insurance or any changes or endorsements to the insurance required herein as Landlord, or any mortgagee or lessor of Landlord may require, from time to time, in form or in amount.

ii. Tenant shall have the right to include the insurance required by Section \_\_ under Tenant’s policies of “blanket insurance,” provided that no other loss which may also be insured by such blanket insurance shall affect the insurance coverages required hereby and further provided that Tenant delivers to Landlord a certificate specifically stating that such coverages apply to Landlord, the Premises and the Project. All such policies of insurance or certificates thereof shall name Landlord, Landlord's manager, and all mortgagees and lessors of Landlord, of which Tenant has been notified, additional insureds, all as their respective interest may appear. All such policies or certificates shall be issued by insurers acceptable to Landlord and in form satisfactory to Landlord. Tenant shall deliver to Landlord certificates with copies of policies, together with satisfactory evidence of payment of premiums for such policies, by the Commencement Date and, with respect to renewals of such policies, not later than thirty (30) days prior to the end of the expiring term of coverage. Upon Landlord’s request, Tenant shall deliver to Landlord certified copies of such policies. All policies of insurance shall be primary and Tenant shall not carry any separate or additional insurance concurrent in form or contributing in the event of any loss or damage with any insurance required to be maintained by Tenant under this Lease. All such policies and certificates shall contain an agreement by the insurers that the policies will not be invalidated as they affect the interest of Landlord and Landlord’s mortgagees by reason of any breach or violation of warranties, representations, declarations or conditions contained in the policies and that the insurers shall notify Landlord and any mortgagee or lessor of Landlord in writing, by Registered U.S. mail, return receipt requested, not less than forty-five (45) days before any material changes, reduction in coverage, cancellation, including cancellation for nonpayment of premium, or other termination thereof or change therein and shall include a clause or endorsement denying the insurer any rights or subrogation against Landlord, if such clause or endorsement is available without additional cost to Tenant.

*Section \_\_.* Landlord shall insure the Building against damage with casualty and commercial general liability insurance, all in such amounts and with such deductible as Landlord reasonably deems appropriate. Notwithstanding any contribution by Tenant to the cost of insurance premiums, as provided hereinabove, Landlord shall not be required to carry insurance of any kind on Tenant’s Property, and Tenant hereby agrees that Tenant shall have no right to receive any proceeds from any insurance policies carried by Landlord.

*Section \_\_.* Tenant shall not knowingly conduct or permit to be, conducted in the Premises or any activity or place any equipment in or about the Premises or the Building, which will invalidate the insurance coverage in effect or increase the rate of casualty insurance or other insurance on the Premises or the Building, and Tenant shall comply with all requirements and regulations of Landlord’s casualty and liability insurer. If any invalidation of coverage or increase in the rate of casualty insurance or other insurance occurs or is threatened by any insurance company due to any act or omission by Tenant, or its agents, employees, representatives or contractors, such statement or threat shall be conclusive evidence that the increase in such rate is due to such act of Tenant or the contents or equipment in or about the premises, and , as a result thereof, Tenant shall be liable for such increase and such amount shall be considered Additional Rent payable with the next monthly installment of Base Rent due under this Lease. In no event shall Tenant introduce or permit to be kept on the Premises or brought into the Building, any dangerous noxious, radioactive or explosive substance.

 *Section \_\_.* Landlord and Tenant each hereby waive any right of subrogation and right of recovery or cause of action for injury or loss to the extent that such injury or loss is covered by fire, extended coverage, “All Risk” or similar policies covering real property or personal property (or which would have been covered if Tenant was carrying the insurance required by this Lease). Said waivers shall be in addition to, and not in limitation or derogation or any other waiver or release contained in this Lease. Written notice of the terms of the above mutual waivers shall be given to the insurance carriers of Landlord and Tenant and the parties’ insurance policies shall be properly endorsed, if necessary, to prevent the invalidation of said policies by reason of such waivers.

Liquor Liability: If the Premises shall ever be utilized (with Landlord's express prior written consent) for the sale and/or consumption of alcoholic or other beverages contemplated by the "Georgia Alcoholic Beverage Code," as amended, including, without limitation, the sale for on or off‑Premises consumption of alcohol, distilled spirits, beer, malt beverage, wine or fortified wine (hereinafter sometimes referred to as "alcoholic beverages"), then Tenant shall obtain and maintain (by endorsement to the general liability policy required to be maintained by Tenant hereunder or by separate policy) throughout the term of the Lease so‑called "liquor liability" or "dram shop" insurance (hereinafter sometimes referred to as "liquor liability insurance"), causing Landlord, and such other entities as Landlord shall designate from time to time, to be named insureds, in combined single limit coverage per occurrence of not less than THREE MILLION AND NO/100 ($3,000,000.00) DOLLARS (or such higher amount which Landlord may proscribe from time to time in its sole judgment). Such liquor liability insurance shall (i) be written in form acceptable to Landlord, and its counsel, by a licensed insurance carrier in good standing in the State of Georgia acceptable to Landlord, and (ii) specifically include, without limitation, liability coverage for the violation of any governmental statute, ordinance, regulation or rule pertaining to the sale, gift, distribution or use of any alcoholic beverages, or liability by reason of the selling, serving or giving of alcoholic beverages to a minor or to a person under the influence of alcohol, or which causes or contributes to the intoxication of any persons. The aforementioned liquor liability insurance policies shall be for the mutual and joint benefit and protection of Landlord, Tenant, and such other entities as Landlord shall designate from time to time, and executed copies of such policies of insurance or certificates thereof shall be delivered to the Landlord within ten (10) days prior to the delivery of possession of the Premises to Tenant, and thereafter within thirty (30) days prior to the term of each such policy. Additionally, all such insurance shall contain a provision stating that the Landlord, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents, and employees by reason of the negligence of Tenant, its servants, agents, and employees. As often as any such policy shall expire or terminate, renewal or additional policies shall be maintained and procured by Tenant in like manner and like extent, subject at all times to the approval of Landlord and its counsel. All such insurance policies shall likewise contain a provision stating that the insurance carrier of said policies shall grant to Landlord thirty (30) days' prior written notice of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. Notwithstanding the foregoing to the contrary, in the event Tenant shall fail to procure and/or maintain any insurance required by this Special Stipulation, or fails to carry insurance required by law or governmental regulation, Tenant shall be deemed in default under this Lease and Landlord may, but shall not be required or obligated to, at any time (without the granting of notice) procure such insurance and pay the premium therefor, in which event Tenant shall repay all sums so paid by Landlord, together with interest thereon as provided in this Lease, and any and all other incidental costs and expenses incurred by Landlord in connection therewith, within five (5) days after demand by Landlord or its designated representative or legal counsel.

In furtherance of the foregoing, Tenant hereby agrees and covenants to indemnify and hold Landlord, its servants, agents, employees, and representatives, wholly harmless from any and all claims, liabilities, losses, damages and expenses of whatever kind or nature, including, without limitation, court costs and attorney's fees, incurred by Landlord in connection with the sale, gift, distribution or use of any alcoholic beverages in or from the Premises, including, without limitation, the violation by Tenant of any statute, ordinance, regulation or rule of whatever kind or nature which shall be established from time to time by any governmental agency or insurance carrier in connection therewith. As further assurance for the fulfillment of the foregoing indemnity, Tenant hereby agrees and covenants to specifically cause its contractual liability insurance for the Premises to include and cover this indemnity by Tenant regarding any and all claims, liabilities, losses, damages and expenses sustained by Landlord, its servants, agents, employees, and representatives, as a result of the sale, gift, distribution, or use of any alcoholic beverages in or from the Premises.

**LANDLORD’S ACQUIESCENCE TO SUBLEASE:**

Notwithstanding anything to the contrary in this Section \_\_, the original named Tenant hereunder may, so long as said original named Tenant remains primarily liable hereunder assign this Lease or sublet the Premises, upon prior notice to Landlord, but without Landlord’s consent or right to recapture, to any of the following: (i) any person, corporation or other entity which controls or is controlled by or under common control with Tenant; (ii) any corporation resulting from a merger or consolidation with Tenant; or (iii) any person, corporation or other entity which acquires all or substantially all of the assets of Tenant as a going concern of the business that is being conducted on the Premises; provided that, in each case, the assignee has sufficient creditworthiness following such transaction or assignment (as evidenced by appropriate financial statements which shall be furnished to Landlord with such notice) to perform the obligations of Tenant under this Lease; and provided further that, in each case, any such assignee assumes in full the obligations of Tenant under this Lease.

Alternative:

*Notwithstanding anything to the contrary contained in Section 19 hereto, Tenant may, upon at least thirty (30) days’ prior written notice to Landlord (the “Affiliate Assignment Notice”), without Landlord’s prior consent, assign this Lease, or sublet all or a portion of the Premises to a Qualified Tenant Affiliate (hereinafter defined), provided that no default exist hereunder beyond applicable notice and cure periods. A “Qualified Tenant Affiliate” shall mean a corporation or other entity which (i) shall control, be controlled by or be under common control with Tenant or which results from a merger or consolidation with Tenant or succeeds to all the business and assets of Tenant; (ii) operates a lawful office use; and (iii) has the financial capacity and creditworthiness to undertake and perform the obligations of this Lease (as evidenced by appropriate financial statements which shall be furnished to Landlord with such notice). For purposes of the immediately preceding sentence, “control” shall be deemed to be ownership of more than fifty percent (50%) of the legal and equitable interest of the controlled corporation or other business entity. In the event of any assignment to a Qualified Tenant Affiliate, Tenant shall remain fully liable to perform the obligations of the Tenant under this Lease, such obligations to be joint and several with the obligations of the Qualified Tenant Affiliate as tenant under this Lease.*

**LANDLORD’S WORK:**

Landlord is to improve the Premises for Tenant’s occupancy as follows:

1. Landlord, at Landlord’s expense, shall install improvements within the Premises in accordance with the specifications outlined on a space plan of the Premises, prepared by \_\_\_\_\_\_\_\_ and dated \_\_\_\_\_\_\_\_ (hereinafter called “Space Plan”). Said Space Plan bears the initial of both Landlord and Tenant indicating their respective approval of the improvements to be made by Landlord.

(b) Any changes made to the Space Plan by Tenant shall be at Tenant’s sole cost and expense.

(c) All construction work performed by Landlord shall be deemed approved by Tenant in all respects except for items of said work which are not completed or do not conform to the Space Plan as to which Tenant shall have given written notice to Landlord within thirty (30) days after the first occupancy of the Premises by Tenant.

1. In the event of late delivery of the Premises, the Term of this Lease shall be extended by the length of such delay and the Term and Rental Schedule (as defined in Special Stipulation number 5) shall begin fourteen (14) days after Landlord has notified Tenant in writing, that Landlord’s work is complete and the Premises is ready for occupancy. In the event Landlord has not tendered possession to Tenant by \_\_\_\_\_, Tenant may, at Tenant’s option, terminated this Lease by written notice to Landlord, received the immediate refund of any Advance Rents and Security Deposits, and Tenant and Landlord shall have no further obligation to the other.
2. Landlord, at Landlord’s expense, is to insure that all heating, ventilation, air conditioning, plumbing and electrical systems are in good and working order prior to Tenant’s occupancy of the Premises.

Landlord’s work within the Premises (“Leasehold Improvements”) shall be limited to those items and descriptive specifications enumerated on the Construction Documents Exhibit “B” which is attached hereto and made a part hereof by reference and which is hereby approved by Landlord and Tenant. If there are any changes in the Leasehold Improvements requested by Tenant from the work as reflected in the construction Documents, each change must receive the prior written approval of Landlord, whose approval shall not be unreasonably withheld and Tenant shall bear the cost of all such changes.

Landlord agrees to construct Leasehold Improvements in accordance with Construction Documents in an efficient and expeditious manner and once completed, Landlord will notify Tenant when Substantial Completion has been achieved, and thereafter the commencement date as set forth in Article \_\_\_\_ of the Lease shall be established. Substantial Completion shall mean that the Leasehold Improvements have been substantially completed according to the Construction Documents, except for items which will not materially affect the use of the Premises or which customarily are deemed to be “punchlist work”. Should there be any delay in Substantial Completion, to the extent that such delay is not caused in whole or in part by any act or omission attributable by Tenant, the commencement date and term as set forth in Article \_\_\_\_\_ of the Lease shall be adjusted proportionately for the same amount of time as caused by the delay. Unless due to circumstances beyond the control of Landlord, should the delay go sixty (60) days beyond the scheduled date for Substantial Completion, Tenant shall have the right to terminate the lease with written notice.

**LANDLORD WARRANTY AGAINST HAZARDOUS MATERIALS:**

Notwithstanding the foregoing, Landlord represents and warrants that, to Landlord’s best reasonable knowledge, information and belief: (i) there are no material construction defects in the building; (ii) all equipment, machinery and facilities, including, without limitation, heating, air conditioning, plumbing, ventilation and electrical systems, used in connection with the operation of the building and the premises are and will be as of the Commencement Date in good working condition; (iii) the project is and shall continue to be in compliance, in all material respects, with all applicable laws, ordinances and regulations including, without limitation, the American With Disabilities Act and the regulations promulgated thereunder; (iv) there are no hazardous wastes or hazardous substances [as defined under all applicable environmental laws included, but not limited to hazardous waste as defined in the Resource Conservation and Recovery Act of 1976 (as amended) and hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended, and all regulations thereunder] in the project other than hazardous substances customarily found in comparable buildings and projects which do not pose a health or safety threat to workers when used as intended; (v) there are no underground storage tanks or facilities in the project other than for storm water retention and septic tanks; and (vi) neither the building nor the premises, nor any walls, ceilings, beams or docks enclosing or connected to or serving the premises, contain or will contain asbestos which is friable or which has not been remediated or encapsulated in accordance with applicable legal requirements.

**LETTERS OF CREDIT:**

As further security for the obligations of Tenant under this Lease, Tenant shall contemporaneously with the execution hereof deliver to Landlord an irrevocable letter of credit (the “Letter of Credit”), in the amount of \_\_\_\_\_\_\_\_\_\_and No/100ths Dollars ($\_\_\_), it being expressly understood by Tenant that any such Letter of Credit shall not be considered an advance payment of Rental or a measure of Landlord’s damages in case of default by Tenant. The Letter of Credit shall at all times be in a form and drawn upon a bank reasonably acceptable and satisfactory to Landlord. Without limiting the foregoing, the Letter of Credit shall be assignable at no cost (A) to any assignee of or successor to Landlord and (B) as collateral pursuant to a collateral assignment to any holder of a security interest or security title to the Property. Upon the occurrence of any event of default by Tenant or breach by Tenant of Tenant’s covenants under this Lease, Landlord may, from time to time, without prejudice to any other right or remedy, call on the Guaranty or draw under the Letter of Credit to the extent necessary to make good any arrears of Rent and/or damage, injury, expense or liability caused to Landlord by event of default or breach of covenant by Tenant, its successors or assigns. In the event that the Tenant does not provide a substitute Letter of Credit in a form and drawn upon a bank reasonably acceptable and satisfactory to Landlord by the date that is thirty (30) days prior to the date the existing Letter of Credit would expire, then the Landlord will have the right to draw upon the Letter of Credit and substitute the cash proceeds therefrom for the Letter of Credit hereunder. Such use of the Guaranty or the Letter of Credit shall not constitute a cure of Tenant’s default. A letter of credit in the same form and from the same financial institution as issued the Letter of Credit in the amount of $\_\_\_, or cash of $\_\_\_, may be substituted for the Letter of Credit (and shall thereafter become the Letter of Credit or Security Deposit, as the case may be, hereunder) at any time when there exists no default hereunder and (i) when the bond rating of \_\_\_ has been at least as high as BBB+ (or its equivalent) or better, as rated by (A) Moody’s Investor Services, Inc., (B) Standard & Poor Ratings Group, a division of the McGraw-Hill Company, or (C) Fitch’s Investor Services, Inc. for a period of at least eighteen (18) consecutive months, or (ii) after a date that is thirty-six (36) months after the Rent Commencement Date. The Letter of Credit shall be returned as of the date of such termination and no sums remain due or payable by Tenant to Landlord hereunder. The Letter of Credit shall not be mortgaged, assigned, transferred or encumbered by Tenant without the prior written consent of Landlord, and any such act on the part of Tenant shall be without force and effect and shall not be binding upon Landlord.

**LIENS.**

Landlord shall require full lien waivers and affidavits of payments to suppliers from all of Tenant’s contractors and sub-contractors. Tenant shall not allow any work to undertaken unless waivers and affidavits are first secured by Tenant. Failure to obtain said waivers and affidavits shall be a cause for material default hereunder.

**MONTH TO MONTH:**

The Tenant shall have and hold the Premises for a term which shall commence on \_\_\_\_\_\_\_\_\_\_\_\_\_, and continue through the last day of the calendar month in which such date occurs and which thereafter shall continue on a month-to-month basis, unless and until terminated by either Landlord or Tenant in accordance with the following sentence. This Lease and the term hereof may be terminated at any time by Landlord or Tenant effective as of the date specified by the terminating party (which date need not be the last day of a calendar month), provided the terminating party give the other party at least fifteen (15) days prior written notice of termination, which notice shall specify the date of termination; further, absent express written agreement of Landlord to the contrary, the term of this Lease shall in any case expire on \_\_\_\_\_\_\_\_\_\_\_\_. The parties recognize and agree that Tenant’s agreement that Landlord can terminate this Lease on fifteen (15) days notice to Tenant as aforesaid was a material inducement to Landlord to enter into this Lease and in connection therewith, Tenant expressly and knowingly waives any right or provision of law which requires or might require any additional or further notice in order to terminate this Lease.

**NON-DISTURBANCE**

 So long as Tenant is not in default (beyond any period given Tenant by the terms of the Lease to cure such default) in the payment of rent or additional rent or in any other obligation imposed upon Tenant by the terms of this Lease, Tenant’s possession of the Leased Premises and Tenant’s other rights and privileges under the Lease, or any extensions or renewals thereof which may occur in accordance with any option contained in the Lease, shall not be diminished, disturbed, or interfered with by Mortgagee and Mortgagee will not join Tenant as a party defendant in any action proceeding to foreclose the Mortgage.

**OBLIGATION/RIGHTS OF TERMINATION:**

*Section \_\_.* In the event the whole or substantially the whole of the Building or the Premises are taken or condemned by eminent domain or by any conveyance in lieu thereof (such taking, condemnation or conveyance in lieu thereof being hereinafter referred to as “condemnation”), the Term shall cease and this Lease shall terminate on the earlier of the date the condemning authority takes possession or the date title vests in the condemning authority.

 *Section \_\_.* In the event any portion of the Building shall be taken by condemnation (whether or not such taking includes any portion of the Premises), which taking, in Landlord’s judgment, is such that the Building cannot be restored in an economically feasible manner for use substantially as originally designed, then Landlord shall have the right, at Landlord’s option, to terminate this Lease, effective as of the date specified by Landlord in a written notice of termination from Landlord to Tenant. In the event the entire Premises shall be taken by condemnation, then Tenant shall have the right, at Tenants option, to terminate this Lease, effective on the earlier of the date the condemning authority takes possession or the date title vests in the condemning authority.

 *Section \_\_.* In the event any portion of the Parking Facilities shall be taken by condemnation, which taking in Landlord’s judgment is such that the Parking Facilities cannot be restored in an economically feasible manner for use substantially as originally designed, including in such consideration the possible use of additional parking facilities in the vicinity of the Building, then Landlord shall have the right, at Landlord’s option, to terminate this Lease, effective as of the date specified by Landlord in a written notice of termination from Landlord to Tenant.

 *Section \_\_.* In the event that a portion, but less than substantially the whole, of the Premises shall be taken by condemnation, then this Lease shall be terminated as of the date of such condemnation as to the portion of the Premises so taken, and unless Landlord exercises its option to terminate this Lease pursuant to Section \_\_, this Lease shall remain in full force and effect as to the remainder of the Premises.

 *Section \_\_.* In the event of termination of this Lease pursuant to the foregoing provisions, the Rent shall be apportioned as of such date of termination; provided, however, that those provisions of this Lease which are designated to cover matters of termination and the period thereafter shall survive the termination hereof.

 Upon the Expiration Date or earlier termination of this Lease, or upon any re-entry of the Premises by Landlord without terminating this Lease pursuant to Section \_\_, Tenant, at Tenant’s sole cost and expense, shall peacefully vacate and surrender the Premises to Landlord in food order, broom clean and in the same condition as at the beginning of the Term or as the Premises may thereafter have been improved by Landlord or Tenant (provided that Tenant’s improvements were made with Landlord’s consent), reasonable use and wear thereof and repairs which are Landlord’s obligations under Articles \_\_, \_\_, and \_\_ only excepted, and Tenant shall remove all of Tenant’s Property (including, without limitation, all cabling and wiring for computer systems, telephones and the like whether located above the finished ceiling or underneath the floor), repair any damage resulting from such removal, and turn over all keys for the Premises to Landlord.

**OPERATING EXPENSE ESCALATION:**

Landlord and Tenant agree that the annual base rental stated in Paragraph 3 hereof shall be increased as follows:

1. Tenant shall pay as additional rental to Landlord for each calendar year after calendar year \_\_\_\_ (calendar year 199\_ hereinafter being referred to as the “Base Year”), its proportionate share of any increase in operating costs of the Office Building and surrounding land on which the Office Building is located over operating costs of the 199\_ base year. For purposes of this Lease, the term “operating costs” shall mean the annual costs to Landlord of operating and maintaining the Office Building during each calendar year and shall include, without limitation, costs for (i) the maintenance and repair of the Office Building and equipment, common areas, grounds and garbage receptacles, (ii) janitorial supplies and equipment, (iii) utility expenses, (iv) garbage and rubbish removal, (v) security services, amortization of the costs of installation of capital improvements which are primarily for the purpose of reducing operating costs, or which may be required by governmental authority, (vi) insurance, (vii) real estate taxes, and (viii) reasonable management fees. Landlord agrees to furnish to Tenant, along with such notice, a statement containing a summary for each applicable calendar year.
2. For purposes of subparagraph (a) above, the term “Tenant’s proportionate share” shall be determined by dividing the net rentable space occupied by Tenant by the total net rentable space in the building which is \_\_\_\_\_\_\_ and multiplying the resulting quotient by the increased operating costs, taxes or insurance premiums, as the case may be. Landlord shall notify Tenant in writing of Tenant’s proportionate share of such increase in operating costs, taxes or insurance premiums, if any, and Tenant agrees to pay Landlord, within thirty (30) days thereafter, Tenant’s proportionate share as additional rental hereunder and thereafter to pay one-twelfth (1/12) of said increase in equal monthly installments along with Tenant’s payment of monthly installments along with Tenant’s payment of monthly installments of base annual rental, subject to further adjustment as provided in this paragraph. Each annual increase shall not exceed \_\_\_\_\_\_\_ percent (\_\_%) over the previous year.

**OPERATING EXPENSES PASSTHROUGHS:**

*Section \_\_.* Commencing on the thirteenth (13th) month after the month in which the Commencement Date occurs, Tenant shall pay to Landlord, on a per square foot basis, as Additional Rent, for each year or fractional year during the Term, Tenant’s Share of the amount, if any, that Operating costs for such year exceed Base Year Operating Costs (“Tenant’s Operating Costs Payment”). The Base Year Operating Costs are incorporated in the initial Base Rent rate. Tenant’s Operating Costs Payment shall be calculated and paid as follows:

1. Commencing on the first day of January of the year following the year in which the Commencement Date occurs, and on the first day of January of each year during the Term thereafter, (or as soon after as is practicable), Landlord shall furnish Tenant with a statement (“Landlord’s Operating Costs Estimate”) setting forth Landlord’s reasonable estimate of Operating Costs for the forthcoming year and Tenant’s Share of the amount by which such Operating Costs exceed the Base Year Operating Costs. On the first day of each calendar month during such year, Tenant shall pay to Landlord one-twelfth (1/12th) of Tenant’s Operating Costs Payment. If for any reason Landlord has not provided Tenant with Landlord’s Operating Costs Estimate on the first day of January of any year during the Term, then (a) until the first day of the calendar month following the month in which Tenant is given Landlord’s Operating Costs Estimate, Tenant shall continue to pay to Landlord on the first day of each calendar month the sum, if any, payable by Tenant under this Section \_\_ for the month of December of the preceding year and (b) promptly after Landlord’s Operating Costs Estimate is furnished to Tenant, Landlord shall give notice to Tenant stating whether the installments of Tenant’s Operating costs Payments previously made for such year were greater or less than the installments of Tenant’s Operating Costs Payments to be made for such year in accordance with Landlord’s Operating Costs Estimate, and (i) if there shall be a deficiency, Tenant shall pay the amount thereof to Landlord within ten (10) days after the delivery of Landlord’s Operating Costs Estimate, or (ii) if there shall have been an overpayment, Landlord shall apply such overpayment as a credit against the next accruing monthly installment(s) of Additional Rent due from Tenant under this Section until fully credited to Tenant, and (iii) on the first day of the calendar month following the month in which Landlord’s Operating Costs Estimate is given to Tenant and on the first day of each calendar month throughout the remainder of such year. Tenant shall pay to Landlord an amount equal to one-twelfth (1/12th) of Tenant’s Operating Costs Payment, as previously estimated, shall be adjusted to reflect the amount shown in such notice and shall be effective, and due from Tenant, on the first day of the month following Landlord’s giving of such notice.
2. Except as provided in Section \_\_ above, commencing on the first day of March of the year following the year in which the Commencement Date occurs, and on the first day of March of each year during the term thereafter (or as soon after as is practicable), Landlord shall furnish Tenant with a statement of the actual Operating costs for the preceding year, and Tenant’s Share of the amount by which such actual Operating Costs exceed the Base Year Operating Costs. Within thirty (30) days after Landlord’s giving of such statement, Tenant shall make a lump sum payment to Landlord in the amount, if any, by which Tenant’s Operating costs Payment for such preceding year as shown on such landlord’s statement exceeds the aggregate of the monthly installments of Tenant’s Operating Costs Payments actually paid during such preceding year. If Tenant’s Operating Costs Payment, as shown on such Landlord’s statement, is less than the aggregate of the monthly installments of Tenant’s Operating Costs Payment actually paid by Tenant during such preceding year, then Landlord shall apply such amount to the next accruing installment(s) of Additional Rent due from Tenant under this Section until fully credited to Tenant.
3. If the Term ends on a date other than the last day of December, the actual Operating Costs for the year in which the Expiration Date occurs, shall be prorated so that Tenant shall pay that portion of Tenant’s share of Operating Costs for such year represented by a fraction, the numerator of which shall be the number of days during such fractional year falling within the Term, and the denominator of which is 365 (or 366, in the case of a leap year). The provisions of this Section \_\_ shall survive the Expiration Date or any sooner termination provided for in this Lease.

*Section \_\_.*

 i. For purposes of this Lease, the term “Operating Costs” shall mean any and all expenses, cost and disbursements of every kind which Landlord pays, incurs or becomes obligated to pay in connection with the operation, management, repair and maintenance of all portions of the Project. It is understood that real estate adjacent to the Project has been developed as part of a development project which includes the Building and that certain additional real estate adjacent to the Land may be developed in the future. Any such development project which shares facilities and services with the Building shall include that portion of Operating Costs relating to such development project which is allocated to the Building or the Land. All Operating Costs shall be determined according to generally accepted accounting principles which shall be consistently applied. Operating Costs include the following: (a) Wages, salaries and fees (including all reasonable education, travel and professional fees) of all personnel or entities (exclusive of Landlord’s executive personnel) engaged in the operation, repair, maintenance, or security of the Project, including taxes, insurance, and benefits relating thereto and the costs of all supplies and materials (including work clothes and uniforms) used in the operation, repair, maintenance and security of the Project; (b) Cost of performance by Landlord’s personnel of or of all service agreements for maintenance, janitorial services, access control, alarm service, window cleaning, elevator maintenance and landscaping for the Project (such cost shall include the rental of personal property used by Landlord’s personnel in the maintenance and repair of the Project); (c) cost of utilities for the Project, including water, sewer, power, electricity, gas, fuel, lighting and all air-conditioning, heating and ventilating costs; (d) Cost of all insurance, including casualty and liability insurance applicable to the Project and to Landlord’s equipment, fixtures and personal property used in connection therewith, business interruption or rent insurance against such perils as are commonly insured against by prudent landlords, such other insurance as may be required by any lessor or mortgagee of Landlord, and such other insurance which Landlord considers reasonably necessary in the operation of the Project, together with all appraisal and consultants fees in connection with such insurance; (e)All Taxes (for purposes hereof, the term “Taxes” shall mean, all taxes, assessments, levies, and other governmental charges applicable to or assessed against the Project or any portion thereof, or applicable to or assessed against Landlord’s personal property used in connection therewith, whether federal, state, county or municipal and whether assessed by taxing districts, improvement districts or authorities presently taxing the Project or the operation thereof or by other taxing authorities or improvement districts subsequently created, or otherwise, and any other taxes and assessments attributable to or assessed against all or any part of the Project or its operation; including any reasonable expenses, including fees and disbursements of attorneys, tax consultants, arbitrators, appraisers, experts and other witnesses incurred by Landlord in contesting any taxes or the assessed valuation of all or any part of the Project. If at any time during the Term there shall be levied, assessed, or imposed on Landlord or all or any part of the Project by any governmental entity any general or special ad valorem or other charge or tax directly upon rents received under leases or if any fee, tax, assessment or other charge is imposed which measured by or based in whole or in part upon such rents, or if any charge or tax is made based directly or indirectly upon the transactions represented by leases or the occupancy or use of the Project or any portion thereof, such taxes, fees, assessments or other charges shall be deemed to be Taxes; provided, however, that (1) any franchise, corporation, income or net profits tax, unless substituted for real estate taxes or imposed as additional charges in connection with the ownership of the Project, which may be assessed against Landlord or the Project or both; (2) transfer taxes assessed against Landlord or the Project or both; (3) penalties or interest on any late payments of Landlord; and, (4) personal property taxes of Tenant or other tenants in the Project shall be excluded from Taxes. If any or all of the Taxes paid hereunder are by law permitted to be paid in installments, notwithstanding how Landlord pays the same, then, for purposes of calculating Operating Costs, such Taxes shall be deemed to have been divided and paid in the maximum number of installments permitted by law, and there shall be included in Operating costs for each year only such installments as are required by law to be paid within such year, together with interest thereon and on future such installments as provided by law; (f) Legal and accounting costs incurred by Landlord or paid by Landlord to third parties (exclusive of legal fees with respect to disputes with individual tenants, negotiations of tenant leases or with respect to the ownership rather than the operation of the Project), appraisal fees, consulting fees, all other professional fees and disbursements and all association dues; (g) costs of non-capitalized repairs and general maintenance for the Project (excluding repairs and general maintenance paid by proceeds of insurance or by Tenant, other tenants of the Project or other third parties); (h) amortization of the cost of improvements or equipment which are capital in nature and which (1) are for the purpose of reducing Operating Costs for the Project, up to the amount saved as a result of the installation thereof, as reasonably estimated by Landlord, or (2) enhance the Project for the general benefit of tenants or occupants thereof, or (3) are required by any governmental regulation or authority, or (4) replace any Building equipment needed to operate the Project at the same quality levels as prior to the replacement (all such costs, including interest thereon, shall be amortized on a straight-line basis over the useful life of the capital investment items, as reasonably determined by Landlord, but in no event beyond the reasonable useful life of the Project as an office project); (i) the Project management office rent or rental value; and (j) a management fee (whether or not Landlord engages a manager for the Project) and all items reimbursable to the Project manager, if any, pursuant to any management contract for the Project (the management fee shall be the greater of (1) three percent (3%) of the gross receipts from the operation of the Project or (2) fair market management fee charged from time to time by management companies in the \_\_\_\_\_\_\_\_\_\_\_\_\_\_ area.

1. “Operating Costs” shall not include (a) specific costs for any capital repairs, replacements or improvements, except as provided above; (b) expenses for which Landlord is reimbursed or indemnified (either by an insurer, condemnor, tenant, warrantor or otherwise) to the extent of funds received by Landlord; (c) expenses incurred in leasing or procuring tenants (including lease commissions, advertising expenses and expenses of renovating space for tenants); (d) payments for rented equipment, the cost of which would constitute a capital expenditure not permitted pursuant to the foregoing if the equipment were purchased; (e) interest or amortization payments on any mortgages; (f) net base rents under ground leases; (g) costs representing an amount paid to an affiliate of Landlord which is in excess of the amount which would have been paid in the absence of such relationship; or (h) costs specially billed to and paid by specific tenants. There shall be no duplication of costs or reimbursements.

*Section \_\_.* If the Building is not fully occupied (meaning one hundred percent (100%) of the Net Rentable Area of the Building) during any full or fractional year of the Term, the actual Operating Costs shall be adjusted for such year to an amount which Landlord estimates would have been incurred in Landlord’s reasonable judgement had the Building been fully occupied.

*Section \_\_.* If during the Term any change occurs in either the number of square feet of the Net Rentable Area of the Premises or of the Net Rentable Area of the Building, Tenant’s Share of Operating Costs shall be adjusted, effective as of the date of any such change. Landlord shall promptly notify Tenant in writing of such change and the reason therefor. Any changes made pursuant to this Section \_\_ shall not alter the computation of Operating Costs as provided in this Article \_\_, but, on and after the date of any such change, Tenant’s Operating Costs Payment pursuant to this Article \_\_ for the calendar year in which such change occurs shall be computed pursuant to the method set forth in Section \_\_, such computation to take into account the daily weighed average of Tenant’s Share of Operation Costs during such year.

**OPTION TO PURCHASE:**

 Option to Purchase. Landlord grants to Tenant the continuing right and option to purchase the Leased Property. Tenant may exercise this option at any time after \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ but before \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Option Period”), provided that (I) Tenant is not in default hereunder; (ii) Tenant gives Landlord written notice of its intention to exercise the option not later than sixty (60) days prior to the expiration of the Option Period; (iii) Tenant pays any prepayment penalty that might be imposed by any loan financing the Leased Property or, if Tenant elects to assume such loan (if permitted by the loan documents and the lender releases and discharges Landlord and its properties from any and all liability in connection with the loan), Tenant pays any assumption fees imposed by the lender; (iv) Tenant reimburses Landlord for any unamortized loan expenses incurred to obtain financing from the lender; and (v) Tenant pays all costs and expenses of Landlord in connection with the transfer of the Leased Property to Tenant, including without limitation, real property transfer taxes or conveyance fees, title searches and premiums, survey fees, recording fees, and legal expenses of Landlord. The option exercise price is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Dollars ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) increased by two percent (2%) for each Lease Year or portion thereof that Tenant pays Rent, so that, for example, the exercise price in the sixth Lease Year would require payment of the option price times 1.12, and decreased by the amount of any loan to Landlord which is assumed by Tenant in connection with such purchase. In addition, if Landlord has paid for any required alterations pursuant to Section \_\_\_\_\_ of the Lease, the option price shall be increased in the amount Landlord paid for such required alternations.

 Closing. The purchase of the Leased property by Tenant shall close not later than the later of (I) sixty (60) days, or (ii) five (5) days plus the number of days’ notice that Landlord must provide to its lender under its financing of the Lease Property, in each case after Tenant gives Landlord written notice of the exercise of the option. Landlord shall convey title to the Leased Property to the Tenant by a transferable and recordable quitclaim deed (**OPTIONAL**: and quitclaim bill of sale).

 Failure to Exercise Option. If Tenant for any reason fails to purchase the Leased Property at or before the end of the Option Period, then Tenant shall continue to be obligated as lessee hereunder for the remainder of the Term, without any further option to purchase. In that event, Tenant shall be deemed to have lost and abandoned any proprietary or ownership right or interest it may have had in the Leased Property.

**OPTION TO PURCHASE – Option 2 -** In consideration of $ \_\_\_\_\_\_\_\_\_\_\_\_ option deposit paid on or before \_\_\_\_\_\_\_\_\_\_\_, 20\_\_ Tenant shall have the **Option to Purchase** the leased premises described herein under the following TERMS & CONDITIONS:

The total purchase price \_\_\_\_\_\_\_\_\_\_\_\_\_ DOLLARS ($\_\_\_\_\_\_\_\_\_)

The purchase price shall be paid as follows: All cash at close

**a) Encumbrances:** Tenant shall take title to the property subject to: Real Estate Taxes not yet due and Covenants, conditions, restrictions, reservations, rights, right of way and easements of record, if any.

**b) Examination of Title:** Tenant shall have (15) days from the date of receipt of title report to examine the title to the property and report, in writing, any valid objections thereto. Any exceptions to the title which would be disclosed by examination of the records shall be deemed to have been accepted unless reported in writing within said (15) days. If Tenant objects to any exception to the title then Tenant shall use all due diligence to remove such exceptions at his/her own expense within (60) days thereafter. But if such exceptions cannot be removed within the (60) days allowed, all rights and obligations hereunder may, at the election of the Tenant, terminate and end unless he/she elects to purchase the property subject to such exceptions.

**c) Evidence of Title:** Landlord shall provide evidence of Title in the form of a policy of title insurance at Landlord’s expense.

**d) Closing:** Closing shall be within (30) days form the exercise of the option unless otherwise extended by the terms of this agreement.

**e) Prorations:** Tax and insurance escrow account, if any, to be transferred intact to Tenant with no prorations, Interest and other expenses of the property will be prorated as of the date of closing. Unpaid real estate taxes, security deposits, advance rentals, or considerations involving future lease credits shall be credited to the Tenant.

**f) Expiration of Option:** This option may be exercised at any time prior to its expiration at midnight (date)\_. Upon expiration, Landlord shall be released from all obligations hereunder and all of Tenants rights hereunder, legal or equitable, shall cease and option deposit shall be forfeited.

**g) Exercise of Option:** The option shall be exercised by mailing or delivering written notice to the Landlord prior to the expiration of this option. Notice, if mailed, shall be by certified mail, postage prepaid, to the Landlord at the address set forth in the lease agreement, and shall be deemed to have been given upon the day shown on the postmark of the envelope in which such notice is mailed. In the event the option is exercised, \_\_\_ \_ percent (\_\_%) of the rent paid hereunder, as well as any security deposit and option deposit paid, prior to the exercise of the option shall be credited upon the purchase price.

**PARKING:**

During the Lease Term, Tenant shall have the nonexclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas not to exceed \_\_ spaces, driveways and footways located on the Property, subject to such rules and regulations for the use thereof as may be prescribed from time to time by Landlord.

**RENEWAL AND EXPANSION:**

**Renewal**

\_\_\_\_\_\_\_ Subject to Landlord’s redevelopment of the Building or the Office Park, Tenant shall have the right to extend the Term of this Lease with respect to the Premises for the extended term as granted below upon and subject to the following terms and conditions, provided that Tenant is in occupancy of the Premises and that Tenant is not in default under any material term of this Lease, beyond any applicable periods of notice and grace, at the time of the exercise of its option to extend the Term of the Lease or at the time of the commencement of such Extended Term.

1. Tenant shall then have the option to extend the Term of this Lease for one (1) extended term of no less that 3 years and no more than 5 years (the “Extended Term”) by Tenant’s giving written notice thereof to Landlord no later than nine (9) months’ prior to the expiration of the Term, The Extended Term shall commence immediately upon the expiration of the Term. If Tenant does not extend this Lease in a timely manner, Tenant’s rights with respect to the Extended Term shall expire and be of no further force or effect. If Tenant does timely exercise Tenant’s option to extend this Lease, Tenant may not thereafter revoke such exercise, except as provided in Paragraph 4 herinbelow.
2. Upon the commencement of the Extended Term, Landlord shall have no other obligation to make any improvements, decorations or alterations to the Premises.
3. Base Rent of the Premises for the Extended Term shall be equal to 100% of the Fair Market Value of the Premises (as defined below) per square foot of Net Rentable Area of the Premise as of the commencement of the Extended Term.
4. Not less than nine (9) not more than fifteen (15) months prior to the expiration of the Term, Tenant shall have the right to give Landlord notice of its intent to exercise Tenant’s right to extend the Term, and Landlord shall, within thirty (30) days thereafter, give Tenant a notice setting forth Landlord’s estimate of the Fair Market Value Base Rent for the Premises for the Extended Term. Tenant shall have twenty (20) days from Tenant’s receipt of said written notice to notify Landlord in writing that Tenant elects to either (i) extend the Term and that Tenant accepts Landlord’s estimate, in which case such estimate shall be used as the Fair Market Value to determine Base Rent for the Premises for the Extended Term pursuant to Paragraph 3 above, or (ii) that Tenant does not elect to extend the Term.
5. For purposes of this Article \_\_, the phrase “Fair Market Value” shall mean: the fair market rental that a tenant would pay upon leasing space similar to the space in question, taking into consideration whether such space is expansion space or renewal space, or, if no comparable space is available in the Building, in a building of comparable quality in the \_\_ area of \_\_, taking into consideration such factors as (i) the aggregate number of square feet of net Rentable Area then leased by Tenant in the Building; (ii) the length of the lease in question; (iii) the “As Is” condition of the Leased Premises in question, including, without limitation, the fact that such space may be delivered without Landlord granting Tenant any allowance or credit for Tenant’s leasehold improvements in such space; (iv) any increases or decreases in base rent over the term of the lease that are then being including in comparable leases, if any, including adjustments made annually, on the basis of a flat rate for three or five years with an increase in the next lease year, based on changes in consumer price, cost of living or similar indices or periodic market adjustment, or operating expense, porter’s wage or other rent escalation provisions; (v) any rent inducements or concessions then being included in comparable leases; (vi) the location and quality of the Project; (vii) the credit standing of Tenant, and (viii) whether or not the lease in question uses an “operating expense stop” or an “operating expense pass-through”. In no event shall Fair Market Value be less than the Base Rent in effect at the end of the initial term of the Lease.
6. Upon the determination of the Base Rent for the Extended Term, Landlord and Tenant, upon the demand of either of them, shall enter into a supplementary agreement to set forth such Base Rent, the Extended Term and the Expiration Date of the Lease under such Extended Term, provided that failure to enter into any such agreement shall not affect Tenant’s obligation to pay Base Rent for the applicable Extended Term as determined pursuant to Paragraph 3 hereof.
7. Except for concessions or except as set forth in this Article \_\_, the leasing of the Premises for the Extended Term shall be upon the same terms, covenants, agreements, provisions and conditions of the Lease as are in effect as of the date immediately prior to commencement of such Extended Term.
8. Any termination, cancellation or surrender of this Lease shall terminate any right of renewal for an Extended Term with respect to the portion of the Premises for which this Lease is terminated, canceled or surrendered.
9. Time shall be of the essence with respect to the exercise by Tenant of its option hereunder.

**Expansion:**

Expansion Option As long as Tenant is not in default hereunder, Tenant shall have the option (the “Expansion Option”) during the \_\_ and \_\_ lease year (being measured from the date of this Lease), but not the obligation, to expand the Premises by adding the \_\_ rentable square feet contiguous to the Premises as depicted on Exhibit \_\_, attached hereto and by this reference incorporated herein (the “Expansion Premises”), subject to the same terms and conditions as this Lease, including without limitation the same amount of Rent (except for the Additional Rent which shall be increased to account for the increased square footage); provided that, however, Tenant must exercise its right to all of the Expansion Premises and may not expand into only a portion of the Expansion Premises. Tenant shall exercise its option by written notice to Landlord sixty (60) days in advance of the date that it intends to occupy the Expansion Premises. Additionally, Tenant and Landlord shall execute an amendment to this Lease, in a form reasonably acceptable to both Tenant and Landlord, in order to include the Expansion Premises in the Premises, and each party shall pay for its own attorney’s legal costs associated with the drafting and execution of said amendment. Notwithstanding the foregoing, however, Tenant agrees and acknowledges that in the event that the current tenant of the Expansion Premises vacates the Expansion Premises, or defaults under its lease with Landlord, prior to the date of the Expansion Option, so that the Expansion Premises is vacant and Landlord is not receiving rental, then in such event, if Tenant declines to exercise its Right of First Refusal as set forth below, Tenant’s Expansion Option shall terminate.

 Right of First Refusal As long as Tenant is not in default hereunder, and continuing until such time as Tenant has either exercised its Expansion Option as set forth above, or has failed to exercise the Expansion Option by the end of the \_\_ lease year, Landlord shall, upon the receipt of a bona fide offer to lease the Expansion Premises from a third party, provide written notice to Tenant of said offer, and Tenant shall have a right of first refusal to lease the Expansion Premises on the same terms and conditions as found in the third party offer. Tenant shall exercise its option by delivery of written notice to Landlord within fifteen (15) days of the date of receipt of written notice from Landlord, and in the event that Tenant does not notify Landlord of its intent to exercise its option within said 15 day time period, then Landlord shall have the right to lease the Expansion Premises to a third party on terms no more favorable than those offered to Tenant, and this Right of First Refusal and the Expansion Option set forth above shall both terminate and expire, and Tenant shall have no further rights thereunder. In the event that Tenant does exercise its Right of First Refusal, then Tenant and Landlord shall execute an amendment to this Lease, in a form reasonably acceptable to both Tenant and Landlord, in order to include the Expansion Premises in the Premises, and each party hereto shall pay for its own legal costs associated with the drafting and execution of said amendment.

**RENEWAL CLAUSE:**

Provided Tenant is not in default under the terms of the Lease and has not been in default in excess of two times during the initial term, Tenant shall have the right to extend the original Term of this Lease for one (1) successive additional period(s) of five (5) year(s) (the “Renewal Term”) in accordance with this paragraph. Such Renewal Term shall commence immediately upon the expiration of the original \_\_\_\_-year Term *or upon expiration of successive five year option period* hereof and shall be upon the same terms, covenants and conditions of this Lease effective during such original Term, except that Minimum Rent shall be computed as herein below provided. Such right to extend the original Term shall be exercised by Tenant giving Landlord notice in writing of its election to renew at least one hundred eighty (180) days prior to the expiration of the original Term. The minimum rent for the first year of the Renewal Term shall be calculated as 105% of the minimum rent due for the final year of the initial term, and the minimum rent shall continue to increase by 5% at the commencement of each year of the Renewal Term. Or;

Provided Tenant has not been in Tenant Default prior to or any time beyond any applicable cure period, Tenant shall have the option to extend the Lease Term for two (2) additional five (5) year periods (each, an “Option Period” and collectively, the “Option Periods”). Said Option Periods may be exercised by Tenant, if at all, by written notice to Landlord delivered at least one hundred twenty (120) days prior to the expiration of the then current Lease Term or any extension thereof. All of the terms and conditions contained in this Lease shall apply during the Option Periods, except that Minimum Rent for each year of each Option Period shall be increased by three and one-half percent (3.5%).

**RENT COMMENCEMENT:**

*Section \_\_.* The Commencement Date shall be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

 *Section \_\_.*

1. The Premises shall be deemed available for occupancy as soon as the following conditions have been met: (a) the Leasehold Improvements (as defined in Exhibit \_ to the Lease) have been substantially completed as determined by Landlord’s architect or space planner; (b) either a certificate or certificates of occupancy (temporary or final) or other certificate permitting the lawful occupancy of the Premises has been issued for the Premises by the appropriate governmental authority; and (c) at least three (3) Business Days’ notice of the anticipated occurrence of the conditions in clauses (a) and (b) above has been given to Tenant.
2. Notwithstanding anything to the contrary contained herein, if there is a delay in the availability for occupancy of the Premises due to Tenant Delay (as hereinafter defined) then the Premises shall be deemed available for occupancy on the date on which the Premises would have been available for occupancy but for such Tenant Delay, even though a certificate of occupancy or other certificate permitting the lawful occupancy of the Premises has not been issued or the Leasehold Improvements have not been commenced or completed.

*Section \_\_.* The Net Rentable Area of the Premises and the Building are approximately as stated in Sections \_\_ and \_\_, respectively, and shall be specifically calculated by the Landlord’s architect or space planner using base building plans in accordance with the definition set forth in Article \_\_ hereof when the Leasehold Improvements for the Premises are substantially complete. By written instrument substantially in the form of Exhibit \_\_ attached hereto, Landlord shall notify Tenant of the Commencement Date, the Net Rentable Area of the Premises and all other matters stated therein. The Commencement Notice shall be conclusive and binding on Tenant as to all matters set forth therein, unless within ten (10) days following delivery of such Commencement Notice, Tenant contests any of the matters contained therein by notifying Landlord in writing of Tenants’ objections. The foregoing notwithstanding, Landlords’ failure to deliver any Commencement Notice to Tenant shall not affect Landlord’s determination of the Commencement Date or the Net Rentable Area of the Premises.

*Section \_\_.* Tenant may not enter or occupy the Premises prior to the Commencement Date without Landlord’s express written consent and any entry by Tenant shall be subject to all of the terms of this Lease; provided however, that no such early entry shall change the Commencement Date or the Expiration Date.

*Section \_\_.* Occupancy of the Premises or any portion thereof by Tenant or anyone claiming through or under Tenant for the conduct of Tenant’s or such other person’s business therein shall be conclusive evidence that Tenant and all parties claiming through or under Tenant (a) have accepted the Premises as suitable for the purposes for which the Premises are leased hereunder, (b) have accepted the Common Areas as being in a good and satisfactory condition and (c) have waived any defects in the Premises and the Project; provided however, that, if any Leasehold Improvements have been constructed and installed to prepare the Premises for Tenant’s occupancy, Tenant’s acceptance of the Premises, and waiver of any defect therein, shall occur upon Landlord’s substantial completion of the Leasehold Improvement, in the Premises in accordance with the terms of Exhibit \_\_ hereof, subject only to Landlord’s completion of items on Landlord’s punchlist. Landlord may, at Landlord’s option, conclusively establish the date of “substantial completion” by providing Tenant with a written certification of such date. Landlord shall have no liability, except for negligence or willful misconduct, to Tenant or any of Tenant’s agents, employees, licensees, servants or invitees for any injury or damage to any person or property due to the condition or design of, or any defect in, the Premises or the Project, including any electrical, plumbing or mechanical systems and equipment of the Premises or the Project and the condition of or any defect in the Land; and Tenant, for itself and its agents, employees, licensees, servants and invitees, expressly assumes all risks of injury or damage to person or property, either proximate or remote, resulting from the condition of the Premises or the Project.

**RENT SCHEDULE:**

1. "Minimum Rent": The monthly Minimum Rent shall be:

 Period Monthly Amount

(i) Rent Commencement Date through 12th month: $ ;

(ii) 13th month through 24th month: $ ;

(iii) 25th month through 36th month: $ ;

(iv) 37th month through 48th month: $ ;

(v) 49th month through 60th month: $ ; and

(vi) 61st month through 69th month: $ .

Or

**Month** **Payment/Month**

(1-3). December 2013 through February 2014 $0.00

(4-12). March 2014 through November 2014 $1,050.00

(13-24). December 2014 through February 2015 $1,102.50

(25-36). December 2015 through February 2016 $1,157.63

(37-39). December 2016 through February 2017 $1,215.51

# SANITARY SEWER CLAUSE:

 Tenant acknowledges that sewage for the premises Center will be provided by an aerobic sanitary system to be constructed by Landlord. Tenant agrees that it will pay a tap fee of $\_\_\_\_\_\_ in addition to its pr rate share of the cost of maintenance, repair, replacement and operation of the aerobic sanitary system to Landlord as additional rent from time to time but not more often than monthly upon receipt of invoices from Landlord. Tenant’s pro rata share shall be a fraction, the numeration of which shall be \_\_\_\_\_\_\_ (Tenant’s estimated gallons per day) and the denominator of which shall be the total capacity of gallonage to be processed by the aerobic sanitary system per day. Tenant agrees that it will not submit sewage in excess of \_\_\_\_\_\_ gallons for processing during any 24-hour period. Landlord shall have the right, but not the obligation, to dedicate the aerobic sanitary system to \_\_\_\_\_\_\_\_\_\_\_\_\_ or any other applicable authority, and Tenant shall thereafter pay its share of costs associated with the aerobic sanitary system as additional rent as required by the County or other authority. Tenant will not use premise for food preparation or as a restaurant. Tenant will allow no harmful or potentially damaging substances or solutions, including but not limited to, grease, fat, oil, chemicals, spot remover, etc. to enter into the aerobic sanitary system and will install a grease separator or grease trap as may be required by Landlord.

**SUBLEASE AND ASSIGNMENT:**

Neither Tenant nor its legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise transfer this Lease or any part hereof, or the interest of Tenant under this Lease, or in any sublease or the rent thereunder. The Premises or any part thereof shall not be sublet, occupied or used for any purpose by anyone other than Tenant, without Tenant’s obtaining in each instance the prior written consent of Landlord in the manner hereinafter provided. Tenant shall not modify, extend, or amend a sublease previously consented to by Landlord without obtaining Landlord’s prior written consent thereto. Landlord’s consent to any assignment of this Lease or sublet of the Premises shall not waive, nor be deemed to have waived, the provisions of this Article \_\_ and all subsequent assignments and subleases shall require the prior written consent of Landlord in the manner hereinafter provided.

 An assignment of this Lease shall be deemed to have occurred (a) if in a single transaction or in a series of transactions more than 50% in interest in Tenant, any guarantor of this Lease, or any subtenant (whether stock, partnership, interest or otherwise) is transferred, diluted, reduced or otherwise affected with the result that the present holder or owners of Tenant, such guarantor, or such subtenant have less than a 50% interest in Tenant, such a guarantor or such subtenant, or (b) if Tenant’s obligations under this Lease are taken over or assumed in consideration of Tenant leasing space in another office building. The transfer of the outstanding capital stock of any corporate Tenant, guarantor or subtenant through the “over-the-counter” market or any recognized national securities exchange (other than by persons owning 5% or more of the voting calculation of such 50% interest of clause \_\_ (a) above) shall not be included in the calculation of such 50% interest in clause (a) above.

 Notwithstanding anything to the contrary in the preceding paragraph, Tenant shall have the right, upon ten (10) days prior written notice to Landlord, to (a) sublet all or part of the Premises to any related corporation or other entity which controls Tenant, is controlled by Tenant or is under common control with Tenant; or (b) assign this Lease to a successor corporation into which or with which Tenant or is merged or consolidated or which acquired substantially all of Tenant’s assets and property; provided that (i) such successor corporation assumes all of the obligations and liabilities of Tenant and shall have assets, capitalization and net worth at least equal to the assets, capitalization and net worth of Tenant as of the date of this Lease as determined by generally accepted accounting principles, and (ii) Tenant shall provide in its notice to Landlord, the information required in the following paragraph. For the purpose hereof “control” shall mean ownership of not less than 50% of all the voting stock or legal and equitable interest in such corporation or entity.

If Tenant should desire to assign this Lease or sublet the Premises (or any part thereof), Tenant shall give Landlord written notice no later than the time required for notice under the preceding paragraph in the case of an assignment or subletting, or sixty (60) days in advance of the proposed effective date of any other proposed assignment or sublease, specifying (a) the name, current address, and business of the proposed assignee or subleassee, (b) the amount and location of the space within the Premises proposed to be so subleased, (c) the proposed effective date and duration of the assignment or subletting, and (d) the proposed rent or consideration to be paid to Tenant by such assignee or subleassee. Tenant shall promptly supply Landlord with financial statements and other information as Landlord may request to evaluate the proposed assignment or sublease. For assignments and sublettings other than those permitted by the preceding paragraph, Landlord shall have thirty (30) days following receipt of such notice and other information requested by Landlord within which to notify Tenant in writing the Landlord elects: (i) to terminate this Lease as to the space so affected as of the proposed effective date set forth in Tenant’s notice, in which event Tenant shall be relieved of all further obligations hereunder as to such space, except for obligations under Articles \_\_ and \_\_ and all other provisions of this Lease which expressly survive the termination hereof; or (ii) to permit Tenant to assign or sublet such space; provided, however, that, if the rent rate agreed between Tenant and its proposed subtenant is greater than the rent rate that Tenant must pay Landlord hereunder for that portion of the Premises, or if any consideration shall be promised to or received by Tenant in connection with such proposed assignment or sublease (in addition to rent), then all of such excess rent and other consideration shall be considered Additional Rent owed by Tenant to Landlord (less brokerage commissions, attorney’s fees and other disbursements reasonably incurred by Tenant for such assignment and subletting if acceptable evidence or such disbursements is delivered to Landlord), and shall be paid by Tenant to Landlord, in case of excess rent, in the same manner that Tenant pays Base Rent and, in the case of any other consideration, within ten (10) Business Days after receipt thereof by Tenant; or (iii) to refuse, in Landlord’s reasonable discretion, to consent to Tenant’s assignment or subleasing of such space and to continue this Lease in full force and effect as to the entire Premises. The parties agree that Landlord may reasonably refuse to consent to an assignment or subletting if the proposed assignee or subtenant is not financially creditworthy, is a governmental authority or agency, an organization or person enjoying sovereign or diplomatic immunity, a medical or dental practice or a user that will attract a volume, frequency or type of visitor or employee to the Building which is not consistent with the standards of a high quality office building or that will impose an excessive demand on or use of the facilities or services of the Building. It shall also be reasonable for Landlord to refuse to consent to any assignment of subletting if (a) Tenant is then in default under this Lease, or (b) such assignment or subletting would cause a default under another lease in the Building or under any ground lease, deed of trust, mortgage, restrictive covenant, easement or other encumbrance affecting the Project, or cause a violation of any applicable laws or regulations or insurance requirements affecting the Project, or in any way increase the risk of environmental damage to the Project, or (c) such assignment or subletting would complete with Landlord’s leasing of the Project or otherwise have a potential negative monetary impact on Landlord. If Landlord should fail to notify Tenant in writing of such election within the aforesaid thirty (30) day period, Landlord shall be deemed to have elected option (iii) above. Tenant agrees to reimburse Landlord for legal fees and any other reasonable cost incurred by Landlord in connection with any permitted assignment or subletting and such payment shall not be deducted from the Additional Rent owed to Landlord pursuant to subsection (ii) above. Tenant shall deliver to Landlord copies of all documents executed in connection with any permitted assignment or subletting, which documents shall be in form and substance reasonably satisfactory to Landlord and which shall require any assignee to assume performance of all terms of this Lease to be performed by Tenant or any subtenant to comply with all the terms of this Lease to be performed by Tenant. No acceptance by Landlord of any Rent or any other sum of money from any assignee, subleassee or other category or transferee shall be deemed to constitute Landlord’s consent to any assignment, sublease or transfer.

 Any attempted assignment or sublease by Tenant in violation of the terms and provisions of this Article \_\_ shall be void and shall constitute a material breach of this Lease. In no event, shall any assignment, subletting or transfer, whether or not with Landlord’s consent, relieve Tenant of its primary liability under this Lease for the entire Term, and Tenant shall in no way be released from the full and complete performance of all the terms hereof. Further, Tenant’s continuing primary liability for the Tenant’s obligations under this Lease following an assignment or sublease shall not be released, impaired or otherwise affected by Landlord’s waiver of any provision of the Premises before the expiration of the Term of this Lease, Landlord shall have the right, at its option, to terminate all subleases, or to take over sublease of the Premises or any portion thereof and such subtenant shall attorn to Landlord, as its Landlord, under all the terms and obligations of such sublease occurring from and after such date, but excluding previous acts, omissions, negligence or defaults of Tenant and any repair or obligation in excess of available net insurance proceeds or condemnation award.

1. Tenant acknowledges that this lease is a lease of nonresidential real property and therefore agrees that Tenant, as the debtor in possession, or the trustee for Tenant (collectively “the Trustee”) in any proceeding under Title 11 of the United State Bankruptcy Code relating to Bankruptcy, as amended (the “Bankruptcy Code”), shall not seek or request any extension of time to assume or reject this Lease or to perform any obligations of this Lease which arise from or after the order of relief.
2. If the Trustee proposes to assume or to assign this Lease or sublet the Premises (or any portion thereof) to any person which shall have made a bona fide offer to accept an assignment of this Lease or a subletting on terms acceptable to the Trustee, the Trustee shall give Landlord, and lessors and mortgagees of Landlord of which Tenant has notice, written notice setting forth the name and address of such person and the terms and conditions of such offer, no later than twenty (20) days after receipt of such offer, but in any event no later than ten (10) days prior to the date on which the Trustee makes application to the Bankruptcy Court for authority and approval to enter into such assumption and assignment or subletting. Landlord shall have the prior right and option, to be exercised by written notice to the Trustee given at any time prior to the effective date of such proposed assignment subletting, to accept an assignment of this Lease or subletting of the Premises upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such person, less any brokerage commissions which may be payable out of the consideration to be paid by such person for the assignment or subletting of this Lease.
3. The Trustee shall have the right to assume Tenant’s rights and obligations under this Lease only if the Trustee: (a) promptly cures or provides adequate assurance that the Trustee will promptly cure any default under the Lease; (b) compensates or provides adequate assurance that the Trustee will promptly compensate Landlord for any actual pecuniary loss incurred by Landlord as a result of Tenant’s default under this Lease; and (c)provides adequate assurance of future performance under the Lease. Adequate assurance of future performance by the proposed assignee shall include, as a minimum, that (i) the Trustee or any proposed assignee of the Lease shall deliver to Landlord a security deposit in an amount equal to at least three (3) months’ Rent accruing under the Lease; (ii) any proposed assignee of the Lease shall provide to Landlord an audited financial statement, dated no later than six (6) months prior to the effective date of such proposed assignment or sublease with no material change therein as of the effective date, which financial statement shall show the proposed assignee to have a net worth equal to at least twelve (12) months’ Rent accruing under the Lease, or, in the alternative, the proposed assignee shall provide a guarantor of such proposed assignee’s obligations under the Lease, which guarantor shall provide an audited financial statement meeting the requirements of (ii) above and shall execute and deliver to Landlord a guaranty agreement in form and substance acceptable to Landlord; and (iii) any proposed assignee shall grant to Landlord a security interest in favor of Landlord in all furniture, fixtures, and other personal property to be used by such proposed assignee in the Premises. All payments of Rent required of Tenant under this Lease, whether or not expressly denominated as such in this Lease, shall constitute rent for the purposes of Title 11 of the Bankruptcy code.
4. The parties agree that for the purposes of the Bankruptcy Code relating to (a) the obligation of the Trustee to provide adequate assurance that the Trustee will “promptly” cure defaults and compensate Landlord for actual pecuniary loss, the word “promptly” shall mean that cure of defaults and compensation will occur no later than sixty (60) days following the filing of any motion or application to assume this Lease; and (b) the obligation of the Trustee to compensate or to provide adequate assurance that the Trustee will promptly compensate Landlord for “actual pecuniary loss”, the term “actual pecuniary loss” shall mean, in addition to any other provisions contained herein relating to Landlord’s damages upon default, payments of Rent, including interest at the Interest Rate on all unpaid Rent, all attorneys’ fees and all related costs of Landlord incurred in connection with any default of Tenant in connection with Tenant’s bankruptcy proceedings.
5. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed, without further act or deed, to have assumed all of the obligations arising under this Lease and each of the conditions and provisions hereof on after the date of such assignment. Any such assignee shall, upon the request of Landlord, forthwith execute and deliver to Landlord an instrument, in form and substance acceptable to Landlord, confirming such assumption.

The term “Landlord”. as used in this Lease, so far as covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the owner or owners, at the time in question, of the fee title to, or a lessee’s interest in a ground lease of, the Land or the Building. In the event of any transfer, assignment or other conveyance or transfers of any such title or interest, Landlord herein names (and in case of any subsequent transfers or conveyances, then the grantor) shall be automatically freed and relieved from and after the date of such transfer, assignment or conveyance of all liability as respects the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter to be performed and without further agreement, the transferee of such title or interest shall be deemed to have assumed and agreed to observe and perform any and all obligations of Landlord hereunder, during its ownership of the Project. Landlord may transfer its interest in the Project without the consent of Tenant and such transfer or subsequent transfer shall not be deemed a violation on Landlord’s part of any of the terms of this Lease.

**SATELLITE DISH:**

Landlord hereby grants to Tenant the right, at Tenant’s sole cost and expense, but without payment of any additional rent under this Lease, to install on the roof of the Building, subject to the prior written approval of Landlord after submission of plans therefor to Landlord, and subject to the requirements of applicable zoning and other land use ordinances, rules or regulations, and any applicable restrictive covenants, up to four (4) supporting towers, antenna(e) and/or satellite dish(es) (each supporting tower, antennae or satellite dish, including its associated parts, is referred to hereinafter as an “item” of such equipment; all such equipment is collectively referred to hereinafter as “Telecommunications Equipment”) as may be required for the proper conduct of Tenant’s business consistent with the permitted uses of the Premises. Such rights shall include those described in (A) below, and shall be subject to the limitations described in (B) below.

A: Interference. Tenant shall operate the Telecommunications Equipment in a manner that will not cause interference with any equipment on the roof of the Building that is owned or operated by Landlord or by other tenants or licensees of the Building, the installation of which preceded the installation of the Telecommunications Equipment of Tenant which interferes with it. All operations of Telecommunications Equipment by Tenant shall be in compliance with all Federal Communications Commission requirements.

B: Roof Rules.

1. No item of Telecommunications Equipment shall be larger that one and 8/10ths (1.8) meters in any dimension, nor shall any item of Telecommunications Equipment when installed exceed a height of six (6) feet above the surface of the roof of the Building;
2. Each item of Telecommunications Equipment installed on the roof must be installed in a good and workmanlike manner and in accordance with all applicable laws, rules and regulations and restrictive covenants and in accordance with the plans and specifications approved in advance by Landlord;
3. Tenant shall provide Landlord with reasonable advance notice of any work that will be performed on the roof of the Building and afford Landlord the opportunity to be present for all such work, provided that only subsequent notice within a reasonable time shall be required in the case of an emergency that presents immediate danger to Tenant, or its employees, invitees or personal property;
4. Tenant shall keep and maintain liability insurance and property damage insurance with respect to all Telecommunications Equipment that names Landlord as an additional insured and that otherwise complies with the other terms of this Lease;
5. Tenant shall perform all work with respect to Telecommunications equipment in a lien free manner and shall bond off or discharge any other liens or encumbrances that arise out of or are related to any of the work performed on such Telecommunications equipment within thirty (30) days after the filing thereof;
6. No roof work shall involve or result in penetration of any portion of the roof, and Tenant shall be responsible for and shall pay for and repair any damage to the Premises, the Building that arises out of the installation, maintenance, replacement or repair of any Telecommunications Equipment; notwithstanding the foregoing, Tenant will have the right to penetrate the roof provided that (i) Tenant shall obtain the prior written approval of the Landlord for the plans for the installation of the Telecommunications Equipment, (ii) such roof penetration shall not void or impair any roof warranty then in place; (iii) Tenant shall be deemed to have assumed all liability that would otherwise be the responsibility of Landlord for repairs and replacements of any portion of the roof affected by such penetration (iv) at the expiration or termination of the Term, Tenant shall be responsible for, and shall pay for the repair of such portions of the roof as may be necessary as a result of the removal of such Telecommunications Equipment and the penetration of the roof associated therewith, and (v) if requested by Landlord, Tenant shall cause such work to be done (A) by contractors approved by Landlord, or (B) by Landlord, with the costs and expenses incurred by Landlord in connection therewith to be reimbursed by Tenant upon demand as additional rental hereunder.
7. Tenant shall remove all Telecommunications Equipment at the expiration or termination of the term of this Lease and repair any and all damages to the Premises or the Building resulting therefrom;
8. Tenant hereby indemnifies Landlord against and agrees to hold Landlord harmless from and against any and all losses, costs, expenses, judgments, liabilities, suits and the like (including, without limitation, court costs and attorney’s fees) arising out of or related to the use, operation, repair, maintenance and replacement of all Telecommunications equipment;
9. No Telecommunications Equipment shall be used by Tenant for any purpose other than the receipt and transmission of information directly related to the conduct of business within the Premises or directly related to the business of affiliates of the Tenant; Tenant shall not rent, lease or otherwise demise space, time or other components of any such Telecommunications Equipment to the third party consumers of such services other than its own affiliates; and
10. All Telecommunications Equipment shall be screened so as not to be visible from the ground, and, at Landlord’s request, Tenant agrees to paint the Telecommunications Equipment such a color as to make such equipment blend in with the color of the roof of the Building.

**SERVICE AGREEMENT – HVAC**

Tenant shall keep in force a standard maintenance agreement on all heating, ventilating, and air conditioning systems serving the Premises with a reputable heating and air conditioning service organization which shall be subject to Landlord's approval and shall provide a copy of said maintenance agreement to Landlord for its approval.

**SIGNATURE AUTHORITY**:

If Tenant executes this Lease as a corporation, each of the persons executing this Lease on behalf of Tenant does hereby personally represent and warrant that Tenant is a duly incorporated or a duly qualified (if a foreign corporation) corporation and is fully authorized and qualified to do business in the State in which the Demised Premises are located, that the corporation has full right and authority to enter into this Lease, and that each person signing on behalf of the corporation is an officer of the corporation and is authorized to sign on behalf of the corporation. If Tenant signs as a partnership, joint venture, or sole proprietorship or other business entity (each being herein called “Entity”), each of the persons executing on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing Entity, that Tenant has full right and authority to enter into this Lease, that all persons executing this Lease on behalf of the Entity are authorized to do so on behalf of the Entity, and that such execution is fully binding upon the Entity and its partners, joint venturers, or principal, as the case may be. Upon the request of Landlord, Tenant shall deliver to Landlord documentation satisfactory to Landlord evidencing Tenant’s compliance with this Article, and Tenant agrees to promptly execute all necessary and reasonable applications or documents as reasonably requested by Landlord, required by the jurisdiction in which the Demised Premises is located, to permit the issuance of necessary permits and certificates for Tenant’s use and occupancy of the Demised Premises.

**SYSTEMS GUARANTY.**

Landlord shall guarantee the good working condition of the existing electrical and plumbing systems, and the existing HVAC unit(s) (collectively, the “Systems”) for a period of six (6) months from the Commencement Date (the “Guaranty Period”), excluding, however, any repairs or replacements to the Systems during the Guaranty Period due to (i) the acts or negligence of Tenant or Tenant Invitees, (ii) alterations made by Tenant, or (iii) the criminal or negligent acts of a third party, in which event such repairs or replacements shall be the sole financial responsibility of Tenant.

**TENANT IMPROVEMENTS:**

Landlord shall provide a $\_\_\_ per rentable square foot allowance for the office space portion of the Premises and a $\_\_\_ per rentable square foot (RSF) allowance below a partially finished ceiling for the warehouse portion of the Premises. Partially finished being defined as having the main HVAC system and main trunk lines installed, (not including dampers, ductwork, diffusers, etc.), the grid system in place and the ceiling tiles and lighting fixtures purchased, but not installed. This allowance shall be inclusive of all costs associated with the design, permit and construction of the Premises and a construction management fee of five percent (5%) of the total improvement allowance. Tenant will accept a $\_\_\_ RSF reduction in the allowance should Landlord opt to absorb the cost of the construction management fee. Any unused portion of the allowance shall be set aside to handle (a) items customarily deemed “punchlist work” and/or (b) for change orders implemented within sixty (60) days of occupancy by Tenant.

**TENANT’S RIGHT TO AUDIT LANDLORD’S CAM EXPENSES.**

Provided no Tenant Default shall have occurred and be continuing, Tenant shall have the right to audit Landlord’s records and books concerning CAM costs, subject to the following conditions:

a. Tenant gives Landlord thirty (30) days’ prior written notice of Tenant’s intent to audit.

b. The audit occurs during Landlord’s normal business hours and in Landlord’s principal offices.

c. Tenant may only audit said records and books once during each year.

d. The audit must be conducted and completed within twelve (12) months after receipt of the final CAM costs statement for such year.

e. Tenant provides Landlord a copy of the auditor’s report.

f. Tenant shall keep the results of such audit and Landlord’s books and records strictly confidential.

g. The audit must be conducted by an accountant experienced in conducting such audits.

h. The auditor shall not be retained on a contingency basis, i.e., the auditor’s fee shall not be based upon the results of the audit. If Tenant’s audit performed in accordance with the preceding accurately determines Tenant overpaid Landlord, Landlord shall refund to Tenant the amount overpaid within thirty (30) days after receipt of Tenant’s request therefor, less any monies owed by Tenant to Landlord. If Tenant overpaid Landlord by more than five percent (5%), Landlord also shall pay to Tenant, upon written demand, the reasonable and actual cost of the audit or examination, said cost not to exceed Five Thousand and No/100 ($5,000.00) Dollars.

 **TERMINATION OPTION:**

Tenant shall have the option to terminate this Lease after the completion of the twenty fourth (24th) month and prior to the twenty sixth (26th) month of the initial term by foregoing the Security Deposit and meeting the following conditions: a) Tenant provides Landlord with a ninety (90) day prior written notice (“Notice Period”), b) Tenant is not in default with any provision of this Lease up to and including Notice Period, c) At time of giving notice, Tenant pays Landlord a penalty equal to two (2) month’s rent at the current rate then in effect.

**Alternative 2**:

Tenant shall have the option to terminate this Lease after the thirteenth (13th) month and before the fifteenth (15th) month of the original term of this Lease (hereinafter referred to as “OPTION 1”) or after the twenty fourth (24th) month and before the twenty sixth (26th) month of the original term of this Lease (hereinafter referred to as “OPTION 2”) by foregoing the Security Deposit and meeting the following conditions:

1. Tenant gives Landlord at least ninety (90) days (hereinafter referred to as “Notice Period”) prior written notice of Tenant’s intent to exercise such option.
2. At the time of giving notice and through the Notice Period, Tenant is not in default of any covenant or provision of this Lease.
3. At the time of giving notice, Tenant pays a buyout fee equal to the first month’s rent plus the unamortized leasing cost, which include commissions and space improvement dollars. If Tenant chooses to exercise OPTION 1, the fee will be \_\_\_\_\_\_; if Tenant chooses to exercise OPTION 2, the fee will be \_\_\_\_\_\_.

**Alternative 3:**

Notwithstanding anything contained to the contrary in the Lease, as amended hereby, Tenant shall have the one (1) time right to terminate the Lease, as amended hereby (the “***Early Termination Option***”), effective as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ (the “***Early Termination Date***”), subject to all of the following terms and conditions:

(a) Landlord shall have received written notice from Tenant on or before \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ (the “***Termination Notice***”) of Tenant’s election to terminate the Lease, as amended hereby, in accordance with the terms and conditions of this Section \_\_\_\_\_.

(b) Simultaneously with Tenant’s delivery of the Termination Notice to Landlord, Tenant shall pay to Landlord, via wire transfer or in certified funds, a termination fee (the “***Termination Fee***”) in an amount equal to\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_and 00/100 Dollars ($ .00).

(c) On or before the Early Termination Date, Tenant shall have vacated the Premises and surrendered exclusive possession thereof in the condition required by the Lease and shall have paid to Landlord all unpaid Base Monthly Rental, additional rental and all other charges due to Landlord for all time periods up to and including the Early Termination Date.

(d) The Lease shall be in full force and effect on the date of the exercise of such Early Termination Option and the Early Termination Date, and, further, there shall exist no default on the part of Tenant under the Lease, as amended hereby, on the date of the exercise of such Early Termination Option or on the Early Termination Date.

(e) If Tenant fails to exercise such Early Termination Option as provided in and in strict accordance with the terms of this Section \_\_\_\_\_, or if the conditions in subsections (a) through and including (d) above are not entirely satisfied, then in any such event Tenant’s option to terminate the Lease, as amended hereby, shall automatically terminate and be of no further force or effect, or if exercised, shall be null and void.

(f) Tenant shall not have the right to assign the Early Termination Option to any sublessee of the Premises, or assignee of the Lease, nor may any such sublessee or assignee exercise or enjoy such Early Termination Option.

**Alternative 4:**

Cancellation Option. If within sixty (60) days after the expiration of the first Forty-Eight (48) months and Seventy-Two (72) months of the term hereof Tenant notifies Landlord in writing that Tenant, acting in good faith, desires to lease at the fair market rental rate as determined by Landlord, at least an additional \_\_\_\_\_\_ square feet of space in the Project and Landlord, in Landlord’s sole and absolute discretion, determines that such space is not available to be leased to Tenant, Landlord shall so notify Tenant in writing, ("Landlord's Notice") and Tenant shall then have the one-time option (the "Cancellation Option") to cancel this Lease by written notice to Landlord exercising Tenant's rights under this Section (the "Cancellation Notice") given within ten (10) days of the date of Landlord's Notice, and effective as of nine (9)' months from the date of the Cancellation Notice (the "Cancellation Date") provided that:

 (a) Tenant has not entered into any assignment, sublease, mortgage, pledge, hypothecation or other transfer of the Lease or Tenant's interest under this Lease except in' connection with a Permitted Transfer;

 (b) Tenant is not in default under this Lease at the time of giving the Cancellation Notice or, unless otherwise agreed in writing by Landlord, as of the Cancellation Date, and,

 (c) Tenant pays to Landlord a cancellation fee (the "Cancellation Fee") concurrently with delivery of the Cancellation Notice, in immediately available funds, in an amount equal to (1) the unamortized cost of Landlord's Work, brokerage commissions and fees paid by Landlord in connection with this Lease with imputed interest thereon at the Prime Rate plus two percent (2%), amortized on a straight line basis over the initial Lease Term, plus (2) an amount equal to four (4) month's Rent at the rate in effect on the Cancellation Date. If Tenant does not deliver a Cancellation, Notice as required herein, then Tenant will be deemed to have waived the Cancellation Option, and the Cancellation Option will thereupon terminate and be of no further force and effect.

If Tenant delivers a Cancellation Notice and the Cancellation Fee, as provided above, and if Tenant is not then in default under this Lease, then, on or before 12:00 midnight on the Cancellation Date, Tenant will surrender the Premises to Landlord in accordance with the provisions of Article\_\_\_\_\_ of the Lease, and, provided that Tenant has complied with all of the provisions of this paragraph and of this Lease, this Lease and all of Tenant's obligations hereunder, except those obligations which expressly survive the termination or expiration of this Lease, including, without limitation, any underpayment of Operating Expenses for Common Area Maintenance, Real Property Taxes and Insurance Costs as provided in Section \_\_\_\_\_, will terminate as of 12:00 midnight on such date. If Tenant fails to so surrender the Premises on such date, then Tenant will be deemed to be a hold over Tenant and the provisions of Article \_\_\_\_\_ will apply. Provided that Tenant has satisfied all of the requirements of this Section relating to such termination, Landlord and Tenant will execute a termination agreement upon such termination of this Lease.

**WHAT CAM IS NOT TO INCLUDE**

Notwithstanding the foregoing “Common Area Maintenance” will not include (a) real estate brokerage and leasing commissions; (b) legal, accounting or other professional fees incurred in connection with negotiating, preparing or enforcing leases or lease terms, amendments of leases, proceedings against any tenant (including Tenant) relating to the collection of rent or other sums due to Landlord from such tenant or any other disputes with any tenant (including Tenant); (c) interest or principal payments on any mortgage or deed of trust or any ground lease payments; (d) rent value or rental for any property manager’s offices in the Development; (e) the cost of any rental loss insurance carried by Landlord; (f) the cost of any structural and roof repair, and any other capital improvements, replacements and renovations to the Development; (g) any deduction for depreciation, amortization or similar non-cash accounting costs taken on Landlord's income tax returns; (h) replacement or repairs covered by construction contracts or contractor's warranties, or by insurance proceeds (including without limitation any repairs or replacements of defects in the initial construction of the Development); (i) the cost of acquiring property to be added to the Development and the cost of any construction appertaining to any property so added; (j) the cost of Landlord's federal, state or local income taxes; (k) the cost of the design, construction, renovation, redecorating or other preparation of tenant improvements for Tenant or other tenants or prospective tenants of the Development (including design fees for space planning and all third party fees and costs, permit, license and inspection fees) and allowances therefor; (l) expenditures that would be required to be treated as capital improvements and replacements under generally accepted accounting principles (“GAAP”), regardless of how such expenditures are actually treated by Landlord; (m) rentals for items which if purchased, rather than rented, would constitute a capital improvement excluded above; (n) wages, salaries, reimbursable expenses, benefits and other compensation of any personnel above the grade of property manager and Landlord’s general overhead expenses; (o) legal costs incurred in connection with the development, construction, alteration or improvement of the Development, or legal, auditing, accounting or other professional fees not allocated to the operation and management of the Development; (p) costs of repairs or replacements incurred by reason of eminent domain; (q) repairs or improvements made for the benefit solely of tenants of the Development other than Tenant; (r) any expense for which Landlord is entitled to be reimbursed by any tenant (including Tenant) as an additional charge in excess of minimum rental; (s) overhead and profit paid to affiliates of Landlord for services on or to the Development or for supplies or other materials, to the extent that the costs of the services, supplies or materials exceed the competitive costs of the services, supplies, or materials were they not provided by an affiliate of Landlord; (t) costs incurred for art and decorations, including, without limitation, seasonal decorations; (u) costs with respect to the creation of a mortgage or superior lease or in connection with a sale of the Development including, without limitation, survey, legal fees and disbursements, transfer taxes or stamps and appraisals, engineering and inspection reports associated with the contemplated sale; (v) any costs and compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord for a profit; (w) costs incurred with respect to any specialty use or service in the Development which is operated by Landlord and is not available for use by Tenant or its employees; (x) payment of damages, attorneys’ fees, and any other amounts to any person seeking recovery for negligence or other torts (including any tort claims relating to asbestos); (y) damages and repairs necessitated by the negligence or willful misconduct of Landlord or Landlord’s employees, contractors or agents; (z) costs incurred due to violations by Landlord, or by any tenant (including Tenant) in the Development of the terms and conditions of any lease, and penalties or interest for late payment of any obligation of Landlord (unless such penalties or interest result from Tenant’s late payment of Rent); (aa) Landlord’s general corporate overhead, including without limitation, the cost of Landlord’s general corporate accounting and the cost of preparation of Landlord’s income tax or information returns; (bb) any tenant improvement allowance given to any tenant (including Tenant) whether given by contribution or credit against Rent or otherwise, and any abatements or credits to Rent; (cc) the costs incurred in performing work or furnishing services of any tenant (including Tenant) in the Development, to the extent that such work or service is in excess of any work or service Landlord is obligated to furnish to such tenant at Landlord’s expense; (dd) any rental concessions to, or lease buy-outs of, Tenant or any other tenant in the Development; (ee) any costs expressly to be excluded as Common Area Maintenance under any other provision of this Lease; (ff) the costs, expenses and fees of any asset manager or investment advisor representing Landlord or any partner or any other constituent member of Landlord; (gg) costs arising from Landlord’s charitable or political contributions and real estate association dues and licensing fees; (hh) amounts payable by Landlord by way of indemnity or for damages or which constitute a fine, interest or penalty, including interest or penalties for any late payment of Common Area Maintenance; (ii) expenses attributable to storage space in the Development; (jj) the cost of overtime or other expense to Landlord in curing its defaults; and (kk) the costs associated with converting Development systems away from the use of CFCs. Landlord warrants and represents that none of the expenses included in determining Tenant's proportionate share of Common Area Maintenance shall be included in any other charge payable under this Lease.

**CONTENTS**

1. [Agents Commissions](#AgentsCommissions)
2. [As is Clause](#AsIsClause)
3. [Authority](#Authority)
4. [Authorization](#Authorizations)
5. [Certain Requirements of Tenant](#Certain)
6. [Commencement Clause](#CommencementClause)
7. [Compliance With Laws](#ComplianceWithLaws)
8. [Contingency – Obtaining Permits](#ContingencyPermits)
9. [Counterparts](#Counterparts)
10. [Default and Remedies](#DefaultandRemedies)
11. [Examination Not Option](#ExaminationNotOption)
12. [Exclusive Use](#Exclusive)
13. [Exculpation of Landlord](#ExculpationIssues)
14. [First Right of Refusal](#FirstRightOfRefusal)
15. [Free Rent Clause](#FreeRentClause)
16. [Holder Issues](#HoldoverIssues)

1. [HVAC Warranty](#hvacWARRANTY)
2. [Improvement Credit Issues](#ImprovementCreditIssues)
3. [Ins](#Insurance)[ur](#Insurance)[ance (including Liquor Liability Clause)](#Insurance)
4. [Landlord’s Acquiescence](#LandlordsAcquiescencetoSublease) [To Sublease](#LandlordsAcquiescencetoSublease)
5. [Landlord’s Work](#LandlordsWork)
6. [Landlord Warranty Against Hazardous Materials](#LandlordsWarrantyHazMat)
7. [Letters of Credit](#LettersofCredit)
8. [Liens](#Liens)
9. [Month to Month](#MonthtoMonth)
10. [Non-Disturbance](#MonthtoMonth)
11. [Obligation/Rights of Termination](#ObligationofTermination)
12. [Operating Expense Escalation](#OperatingExpenseEscalation)
13. [Operating Expense Passthroughs](#OperatingExpensePassthrus)
14. [Option to Purchase](#OptiontoPurchase)
15. [Parking](#Parking)
16. [Renewal and Expansion](#RenewalandExpansion)
17. [Renewal Clause](#RenewalClause)

1. [Rent Commencement](#RentCommencementIssues)
2. [Rent Schedule – smoothly integrates free rent (9 months in this example)](#RentSchedule)
3. [Sanitary Sewer Clause](#ServiceAgreement_hvac)
4. [Service Agreement (HVAC)](#ServiceAgreement_hvac)
5. [Signature Authority](#SignatureAuthority)
6. [Sublease an](#SubleaseandAssignment)[d Assignment](#SubleaseandAssignment)
7. [Systems Guaranty](#SystemsGuaranty)
8. [Satellite Dish](#SatelliteDish)
9. [Tenant Improvements](#TenantsRight)
10. [Tenant’s Right to Audit CAM](#TenantsRight)
11. [Termination Option](#BuyoutOption)

[45. What CAM is NOT](#TenantsRight)