



# COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ ("Lessor") at \_\_\_\_\_ and \_\_\_\_\_ ("Lessee") at \_\_\_\_\_. In consideration of the mutual covenants herein contained, the parties agree as follows:

**1. DESCRIPTION OF LEASED PREMISES:** Lessor agrees to lease to Lessee the Leased Premises ("Premises") which shall consist of the \_\_\_\_\_ square feet of \_\_\_\_\_ [type of space] located at \_\_\_\_\_. The Premises shall comprise approximately \_\_\_\_\_ of the total leasable area in the building or complex ("Building/Complex"). The square footage of the Premises shall be determined by measuring from the outside of all exterior walls to the center line of any Premises walls. Final determination of size will be determined by Lessor's architect or building contractor.

**2. TERM OF LEASE:** The term of this Lease shall be for a period of \_\_\_\_\_ year(s) \_\_\_\_\_ month(s) and shall commence on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("Commencement Date") and end at Midnight on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("Termination Date").

Lessee SHALL NOT have the option to renew the Lease.

Lessee shall have the right to renew the Lease by giving written notice to Lessor no less than \_\_\_\_\_ days prior to Termination Date and provided Lessee is not in default in the performance of this Lease. Lessee shall have the option to renew this Lease for an additional \_\_\_\_\_ year(s) commencing on Termination Date. All current terms and conditions of this Lease shall apply to each renewal term, however, the rent shall increase by \_\_\_\_\_ each renewal term.

**3. HOLDOVER:** If lessee remains in possession of the Premises after the initial lease term expires without the execution of a new lease, the Lease will automatically convert to a month-to-month agreement with the lessee being subject to all conditions, provisions and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy. Rent shall be \_\_\_\_\_ times the Base Rent applicable immediately prior to the expiration of the initial or renewal term and either party may terminate such month-to-month lease by providing thirty (30) days written notice.

**4. BASE RENT:** The net monthly rent payment ("Base Rent") shall be \_\_\_\_\_ dollars (\$ \_\_\_\_\_), payable on the \_\_\_\_\_ day of each month with the first payment due upon commencement of the Lease. Rent for any period during the term hereon, which is for less than one month shall be billed based on a pro-rata portion of monthly rent.

**5. PAYMENT OF RENT:** Base Rent under this Lease shall be made payable to Lessor and delivered to \_\_\_\_\_ or to another address designated by Lessor upon reasonable notice to Lessee.

**6. PARTIAL PAYMENTS:** Any partial payments shall be applied to the earliest installment due, and no endorsement of statement on any check or any letter accompanying any check or payment as to the same shall be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's right to recover the balance of such installment and any other amounts due or to pursue other remedy of Lessor set forth in this Lease.

**7. PAST DUE PAYMENTS:** If any amount due to Lessor under this Lease remains unpaid by Lessee for \_\_\_\_\_ days after it is due, a late charge of \_\_\_\_\_ per day ("Late Fee") shall be paid by Lessee to Lessor until such time as Lessee is current on all amounts owed to Lessor (including past due Late Fees). Any unpaid amounts by Lessee to Lessor shall bear a monthly interest rate of \_\_\_\_\_. Any and all service charges from Lessee's financial institution to Lessor due to non-sufficient funds shall be paid by Lessee, along with any Late Fees that arise due to late payment of rent.

**8. SECURITY DEPOSIT:** At the time of executing this Lease, the Lessee shall deposit with the Lessor a deposit ("Security

Deposit”) in the amount of \_\_\_\_\_ dollars (\$ \_\_\_\_\_ ), which shall serve as security for the full performance of the Lessee's obligations and covenants under this Lease. In the event of a default by Lessee of the terms and conditions of this Lease, Lessor reserves the right to apply the Security Deposit toward the cure or remedy of such default without notice to Lessee. The Security Deposit shall be held in escrow by Lessor in a separate account. The Security Deposit shall not be considered a rent payment and may not be used to pay the last month's rent unless permission is granted by Lessor in writing. Upon termination of the Lease and complete performance of the terms of the Lease by Lessee, Lessor shall refund to Lessee any remaining portion of the Security Deposit.

**9. EXPENSES:** This Lease is:

**GROSS.** Lessee's Initials \_\_\_\_\_ Lessor's Initials \_\_\_\_\_

Lessee and Lessor agree that this Lease shall be considered a “Gross Lease”. As such, the Base Rent is the entirety of the monthly rent. The Lessee is not obligated to any expense in addition to the monthly rent. The Lessor shall (1) pay for all utilities, real estate taxes, real property insurance and other expenses in connection with the ownership and operation of the Premises and shall maintain, (2) maintain all major systems including plumbing, heating and electrical, (3) maintain the general exterior structure of the Premises, including snow removal, grounds, parking areas and surrounding lands. The Lessor shall maintain property and casualty insurance against loss or damage by fire and other perils normally covered by standard all-risk insurance. The Lessee shall provide and maintain personal general liability and property damage insurance with minimum aggregate limits of \_\_\_\_\_ and deductible no greater than \_\_\_\_\_, that will designate the Lessor as an “additional insured”, and provide the Lessor with a copy of such policy prior to Commencement Date. If Lessee fails to carry the insurance required herein and provide Lessor with the policies or certificates of insurance, Lessor shall have the right to obtain such insurance and collect the cost thereof from Lessee as additional Base Rent.

**MODIFIED GROSS.** Lessee's Initials \_\_\_\_\_ Lessor's Initials \_\_\_\_\_

Lessee and Lessor agree that this Lease shall be considered a “Modified Gross Lease”.

In addition to the Base Rent, the Lessee shall be required to pay the following monthly expenses:

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Lessor shall be required to pay the following monthly expenses:

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**TRIPLE NET (NNN).** Lessee's Initials \_\_\_\_\_ Lessor's Initials \_\_\_\_\_

Lessee and Lessor agree that this Lease shall be considered a “Triple Net Lease”.

**I. Operating Expenses:** With respect to the Premises, the Lessor shall have no obligation to provide any services, perform any acts or pay any expenses, charges, obligations or costs of any kind whatsoever . The Lessee hereby agrees to pay 100% of any and all Operating Expenses as hereafter defined for the entire term of the Lease and any extensions thereof as set forth. “Operating Expenses” shall include all costs to the Lessor for operating and

maintaining Premises and related parking areas, and shall include, real estate and personal property taxes and assessments, management fees, water, waste disposal, sewage, heating, electricity, operating materials and supplies, service agreements and charges, lawn care, snow removal, restriping, repairs, repaving, cleaning and custodial, security, insurance, the cost of contesting the validity or applicability of any governmental acts which may affect operating expenses, and all other direct operating costs of operating and maintaining the Premises and related parking areas, unless expressly excluded from operating expenses. Notwithstanding the foregoing, operating costs (and Lessee's obligations in relation thereto) shall not include (i) any expense chargeable to a capital account or capital improvement, ground leases; principal or interest payments on any mortgage or deed of trust on the premises; (ii) any amount for which Lessor is reimbursed through insurance, by third persons, or directly by other tenants of the premises, (iii) repair costs occasioned by fire, windstorm or other casualty, (iv) any construction, repair or maintenance expenses or obligations that are the sole responsibility of Lessor (not to be reimbursed by Lessee), (v) leasing commissions and other expenses incurred in connection with leasing any other area located on the premises to any other party, (vi) any expense representing an amount paid to an affiliate or subsidiary of Lessor which is in excess of the amount which would be paid in the absence of such relationship, and (vii) costs of items and services for which Lessee reimburses Lessor or pays third persons directly.

**II. Taxes.** Lessee shall pay, during the term of this Lease, the real estate taxes and special taxes and assessments ("Taxes") attributable to the premises and accruing during such term. Lessee, at Lessor's option, shall pay to Lessor said taxes on a monthly basis, based on one-twelfth (1/12) of the estimated annual amount for taxes. Taxes for any fractional calendar year during the term hereof shall be prorated. In the event Lessee does not make any tax payment required hereunder, Lessee shall be in default of this Lease.

**III. Insurance.** The Lessee shall provide and maintain at all times personal general liability and property damage insurance with minimum aggregate limits of \_\_\_\_\_ and deductible no greater than \_\_\_\_\_, that will designate the Lessor and Lessor's mortgagees as an "additional insured", and provide the Lessor with a copy of such policy prior to Commencement Date. If Lessee fails to carry the insurance required herein and provide Lessor with the policies or certificates of insurance, Lessor shall have the right to obtain such insurance and collect the cost thereof from Lessee as additional Base Rent.

If the Premises are part of a multiple tenancy complex, the Lessee's expenses are determined by comparing the size of the reimbursement for the aforementioned Operating Expenses, Taxes and Insurance of this Lease as a percentage of Premises occupied by Lessee to the total rentable floor space in said Building/Complex. It is agreed that Lessee occupies \_\_\_\_\_% of the floor space in the Building/Complex for which the Premises are part (total \_\_\_\_\_ sq.ft./ Premises \_\_\_\_\_ sq.ft. = \_\_\_\_\_ %.), and is estimated to be \$\_\_\_\_\_ in year one.

**10. USE OF LEASED PREMISES:** With respect to occupancy, the Lessee shall use and occupy the Premises for the commercial purpose of \_\_\_\_\_ ("Purpose") and related activities. The Lessee shall operate the Premises in a clean and dignified manner. The Lessee covenants to conduct its business upon the Premises in such a manner as to comply with any and all statutes, rules, laws and regulations of any federal, provincial, or municipal governmental authority or not do anything on or in the Premises in contravention of any such statutes, rules, laws and regulations. Lessee shall also not permit to be conducted upon the Premises any business or activity which is contrary or in violation of any law, rule, regulation or requirement that may be imposed by any authority or any insurance company with which the Premises is insured. Additionally, Lessee shall not allow the Premises to be used in any manner which will invalidate or be in conflict with any insurance policies relating to the Building/Complex. The Lessee will not do or permit anything be done in or about the Premises which will obstruct or interfere in any way with the rights of other tenants or occupants. Lessor reserves the right to amend or update use and occupancy terms from time to time, as needed. Other terms and conditions of use and occupancy are as follows:

**Reserved Uses.** The Lessor reserves the right to use the roof, exterior walls, and the area above and below the Premises, along with the right to install, maintain, use, repair and replace ducts, conduits, pipes, wires and structural elements found within the Premises and which serve either the Premises or other parts of the building or complex.

**Common Areas.** The Lessor grants to Lessee the non-exclusive right to use, in common with all other tenants or

lessees of the property, the common area ("Common Area") which shall mean all areas and improvements in the property which are not leased or held for lease to lessees. The Common Area shall be subject to the exclusive control and management of the Lessor. Lessor reserves to itself the right to modify the size, shape and location of the Common Area from time-to-time. Lessor shall maintain the Common Area in good repair.

**Storage.** During the term of this Lease, Lessor agrees that Lessee shall have the right to store personal and/or business property in the \_\_\_\_\_ at their own risk. Lessor will not be responsible for the theft, loss or damage of Lessee's stored property. Lessee agrees to pay Lessor a fee of \_\_\_\_\_ on a \_\_\_\_\_ basis to use the aforementioned storage facilities.

**Parking.** Lessor agree that lessee, it's employees, customers and guests will have the right to use \_\_\_\_\_ parking spaces on the property where the Premises is located. Lessee agrees to pay Lessor a fee of \_\_\_\_\_ on and \_\_\_\_\_ basis for use of such parking privileges.

Other terms and conditions of use and occupancy are as follows:

- I. Loading and unloading of shipped goods shall be conducted through marked entrances and in such areas as designated by the Lessor.
- II. No blinds, shades or such shall be placed on the windows of Premises without written consent from Lessor.
- III. There shall be no smoking in the Premises or within \_\_\_\_\_ feet of any doorway.
- IV. All garbage and refuse shall be kept in appropriate containers, and in locations designated by Lessor. Neither refuse nor garbage shall be burned on the Premise at any time.
- V. No loudspeaker, satellite dish, sound amplifier, displays, equipment, or advertising shall be erected on the roof or exterior walls of Premises, without written consent from Lessor.
- VI. No loudspeaker, radio, television, or like devices shall be used in such a way as to be heard by other tenants, occupants or persons outside the Premises without written consent from Lessor.
- VII. Lessee shall keep Premises at a temperate above freezing to ensure that water in pipes and fixture do not freeze.
- VIII. No merchandise or goods shall be stored in Premises except that which the Lessee is selling in the normal course of business in, at or from the Premises.
- IX. Lessee shall not permit or place any obstructions in any common areas, including, but not limited to, sidewalks, halls, corridors, entrances or exits.
- X. The plumbing facilities in the Premises shall not be used for ANY purpose other than that for which they were constructed. No foreign substances of any kind, including cooking grease or refuse, shall be disposed of or thrown therein. The expense of any breakage, stoppage, or damage to plumbing facilities resulting from violation of this provision shall be borne entirely by the Lessee.
- XI. Lessee shall keep interior and exterior windows and exterior signage located on the Premises clean.
- XII. Lessor shall have the right to prohibit the continued use of unethical or unfair business methods or operations that in Lessors estimation the continued use thereof would damage the reputation of the Premises and Building/Complex as a first class facility.
- XIII. No auctions or tent sales shall be held on the Premise by Lessee without prior written consent from Lessor.

XIV. Lessee is responsible for maintaining the Premises clean, sanitary, neat, and free from insects and other pests. In the event of an infestation, Lessee shall notify Lessor immediately.

XV. Lessee shall not use the Premises for any activity, operation or use other than its identified business Purpose, including any activity that is noxious, emits loud noise, smoke, dust, odors or foul smells.

XVI. Lessee shall not use the Premises for any activity involving the direct or indirect use of hazardous or toxic chemicals, materials, substances or waste ("Hazardous Materials"), and that the Premises will be used in compliance with any and all environmental laws, rules and regulations. Lessor shall have the right, but not duty, to inspect the Premises and test for the use of Hazardous Materials if the Lessor has reasonable belief Hazardous Materials are present or being used. In the event that Hazardous Materials are found on Premises, and Lessee refuses to remove the Hazardous Materials upon receiving written demand of removal, Lessor, or Lessor's authorized agent, shall have the right to enter the Premises, remove the Hazardous Materials and remedy any contamination found thereon. Lessor shall make every effort to minimize interference with Lessee's business but Lessor shall not be held liable for any interference, loss, or damage to Lessee's business or property caused by such entry and removal of Hazardous Materials. If Lessee's storage or use of Hazardous Materials on the Premise leads to governmental testing to ascertain whether there has been a release or contamination of Hazardous Materials, then the reasonable cost thereof shall be borne by the Lessee. At Lessor's reasonable request, Lessee shall execute affidavits, representations and the like concerning Lessee's knowledge or belief of the presence of Hazardous Materials on the Premises.

**11. LICENSES AND PERMITS.** Lessee shall maintain current business licenses and permits as required by local, state or federal law or regulation and which are required for the use of the Premises. A copy of such licenses and permits shall be kept available and accessible on the Premises at all times and presented to Lessor and/or their agents or any local, state, or federal officials upon request.

**12. INSURANCE.** In the event the Lessee shall fail to obtain insurance or fail to maintain the same in force continuously as required by the Lease and during the term of this Lease, Lessor reserves the right to obtain the same and charge the Lessee for the same as an addition to the Base Rent. Lessee also agrees to keep, store or maintain on premises any articles, goods or materials prohibited by the standard form of fire insurance policy. Any increase in insurance premiums due to violation of this provision shall be charged to the Lessee as an addition to the Base Rent.

**13. LEASEHOLD IMPROVEMENTS:** The Lessee agrees that no leasehold improvements, alterations or changes of any nature, (except for those listed below or described in the attached addenda) shall be made to the Premises or the exterior of the Building/Complex without obtaining the written consent of the Lessor. Written consent is required for, but not limited to, the following:

1. painting, wallpapering, redecorating or in any way significantly altering the appearance of the Premises;
2. erecting or removing walls, or performing structural alterations;
3. changing the amount of heat or power normally used on the Premises as well as installing additional electrical wiring or heating units;
4. placing, exposing or allowing to be placed or exposed anywhere inside or outside the Premises any placard, notice or sign for advertising or any other purpose not specifically outlined in this Lease;
5. affixing to or erecting upon or near the Premises any radio or TV antenna or tower, or satellite dish; or installing or affixing on or near the Premises any plant, equipment, machinery or apparatus without the Lessor's written consent.

Any and all leasehold improvements made to the Premises which become affixed or attached to the leasehold Premises shall remain the property of the Lessor at the Termination Date of this Lease. Any duly authorized leasehold improvements shall be made only in accordance with applicable federal, state or local codes, ordinances or regulations, having due regard for the type of construction of the Building/Complex holding the subject leasehold Premises. If the Lessee makes any improvements to the Premises the Lessee shall be responsible for payment of such improvements, except the following:

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**14. NO LIENS PERMITTED.** Neither the Lessee nor any person acting on behalf of the Lessee is authorized under this Lease to encumber the rents of the Premises or interest of the Lessee in the Premises or any person under and through who the Lessee has acquired its interest of the Lessee in the Premises with a mechanic's lien or any other type of encumbrance, or upon any insurance policies taken out upon the Premises. Nothing in this Lease shall construe Lessee to be an agent, employee or representative of the Lessor. If a lien is placed against Premises, through the actions of the Lessee, Lessee shall promptly pay the same or bond against the same and immediately take any and all steps necessary to have such lien removed. If the Lessee fails to remove the Lien, the Lessor shall take any and all necessary steps to remove the Lien and Lessee shall pay Lessor for all expenses related to the Lien and removal thereof. In the event, a Lien is placed on the Premises due to the actions or representations of the Lessee, the Lessee shall be in default of this Lease.

**15. SUBLET/ASSIGNMENT:** The Lessee shall not assign, mortgage, encumber or transfer any interest in this Lease, or any right or interest hereunder or sublet the Premises or any part thereof without obtaining prior written consent of the Lessor.

**16. CONDITION AND ACCEPTANCE OF PREMISES:** Lessee has had the opportunity to inspect the Premises and accepts the Premises in their current condition and repair and affirms by signing this Lease and occupying the Premises, that the Premises comply in all respects with the requirements of this Lease. Lessee also represents that Lessee has inspected the fixtures on the Premises and that they also comply in all respects with the requirements of this Lease. Lessor makes no representation or warranty with respect to the condition of the Premises or its fitness or availability for any particular use, and the Lessor shall not be liable for latent or patent defect therein.

Lessor shall provide only those fixtures and furnishing listed below:

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**17. RISK OF LOSS OF LESSEE'S PERSONAL PROPERTY.** Lessee shall be solely responsible for Lessee's personal property which may at any time be located in the Premises. Lessor shall not be liable for any damages to Lessee's personal property or loss of business suffered by Lessee due to property damage to personal property due to water from any source whatsoever including backup or overflowing of sewer, bursting plumbing or steam pipes, or from heating or electrical wires, or from gas, or odor, or the fire suppression sprinklers/system. It is the Lessee's sole responsibility to maintain property insurance for Lessee's personal property under this provision.

**18. REPAIRS AND MAINTENANCE:** Lessor shall be responsible for maintaining and repairing the Premises in good condition and making such repairs, replacements or modifications as may be necessary for its intended use or required by law, specifically for the following:

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However, maintenance, repairs, or replacements made necessary by any acts of Lessee, and the cost thereof, shall be reimbursed to the Lessor by the Lessee. Lessor reserves the right to enter Premises in any emergency and during business hours, upon advance written notice, to inspect the premise and to repair the Premises and any part of the Building/Complex or Common Area, without abatement of Rent.

All maintenance, repairs, or replacements of the Premises which are not the obligation of the Lessor under this Lease shall be the obligation of the Lessee at the Lessee's sole cost and expense. Lessee shall maintain the Premises in good repair and condition at all times. Specifically, Lessee shall be responsible for the maintenance, repair and replacement of the following:

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**19. DAMAGE TO PREMISES:** In the event that the Building/Complex of the Premises is damaged as a result of neglect or negligence on the part of the Lessee, the Lessee's employees, agents, guests, or any independent contractor serving the Lessee or in any way as a result of Lessee's use and occupancy of the Premises, then the Lessee shall be primarily

responsible for filing the proper claims with the Lessee's insurance company, or the damaging party's insurance company, to make whole and indemnify the Lessor for any such damage. Any damage not covered by an insurance company shall be the liability of the Lessee.

In the event of substantial damage to the Building/Complex of which the Premises constitute a part shall be substantially damaged or destroyed by fire or other casualty to the extent the Premises is rendered unfit to support its previous or intended function or occupancy, and which is not the result of the intentional acts or neglect of the Lessee, then the rent herein set forth shall be abated or adjusted according to the extent to which the Premises have been rendered unfit for use by the Lessee, until the Premises have been put in a condition existing immediately prior to such damage at the expense of the Lessor, or liable party. However, in the event of a substantial or total loss to the Premises, the Lessor will not be obligated to restore, replace or rebuild to any extent or amount greater than the sum of the insurance proceeds available for reconstruction with respect to said damage. In the event the property insurance proceeds received by the Lessor (less any costs incurred by Lessor in collecting the same) are insufficient to restore or rebuild the Premises and/or Building/Complex, the Lessor shall have the option to terminate the Lease upon written notice to the Lessee within \_\_\_\_\_ days after Lessor's receipt of the entire net insurance proceeds payable with respect to such fire, damage or casualty.

**20. DEFAULT OF LESSEE:** In the event the Lessee shall abandon or vacate the Premises, fail to pay said rent, or fail to pay expenses as prescribed in this Lease, or any part therein, or if after \_\_\_\_\_ days written notice from Lessor, Lessee shall fail to cure any other default in performance of its obligations under this Lease, then, the Lessee and Lessor hereto expressly agree and covenant that the Lessor may declare the Lease terminated and may immediately re-enter the Premises without legal process and take possession of the same together with the personal property, fixtures and equipment of the Lessee left on the Premises and that said property may be held by the Lessor as additional security for satisfaction of rental defaults or other defaults of the Lessee under this lease. It is further agreed that if the Lease is terminated due to the default of the Lessee as described in this provision, that the Lessor shall be entitled to take any action necessary to protect its interest in the aforementioned property and equipment, to prevent unauthorized removal of said property which action would constitute irreparable harm and injury to the Lessor in the violation of its security interest in said property.

Should Lessor elect to re-enter Premises as herein provided and take possession pursuant due legal process or pursuant to any notice provided by law, Lessor may terminate Lessee's rights under this Lease, re-lease the Premises or any part thereof for such term and at such rent and upon such other terms and conditions as Lessor sees fit at Lessor's sole discretion, and make any reparations or alterations to Premises necessary for re-leasing, and remove all inventory, equipment or leasehold improvements of the Lessee, at Lessee's expense, necessary for re-leasing of Premises. In the event that any property belonging to the Lessee is removed from Premises as hereto described, the property may be either: (a) stored at Lessee's expense in any public warehouse or elsewhere and Lessor shall not be responsible for the care or safekeeping thereof; or (b) sold at a private auction or public sale and the proceeds of such sale, after sale expenses, shall be used to offset any Base Rent due Lessor. Lessee hereby waives any and all loss, destruction and/or damage or injury to said property occasioned by Lessee's default of this Lease under this provision.

Lessee shall be liable for any costs and expenses, including reparations and alterations, incurred by Lessor in the process of such re-leasing. Lessee shall also be liable for amounts, if any, by which the Base Rent reserved in this Lease, which are the Lessee's responsibility under the provisions of this Lease for the period of such re-leasing, exceeds the amount agreed paid as rent by the new Lessee for the Premises for such period of such re-leasing. It is understood that Lessor may sue the Lessee for any damages incurred by Lessor or past rents due and owing and undertake all legal remedies at Lessor's disposal.

It is further agreed that if at any time Lessee is at default under this Lease, Lessee shall be liable for all costs Lessor may incur due to such default, including cost of recovering the Premises, and any an all related attorney's fees.

**21. DEFAULT OF LESSOR:** In no event shall Lessor be charged with default in the performance of its obligations under this Lease unless and until Lessor shall receive written notice from Lessee identifying wherein Lessor has failed to perform any obligation hereunder and shall have failed to remedy such default, within \_\_\_\_\_ days of such notice from Lessee (or shall have then neglected in good faith to start and diligently pursue the cure of any such default).

**22. MUTUAL HOLD HARMLESS:** It is hereby agreed that the Lessee shall indemnify, defend and hold harmless the Lessor, and its officers, agents and employees from any and all claims or liabilities which may result from the negligent acts or omissions of the Lessee and use and occupancy of the Premises. It is further agreed that the Lessor shall indemnify, defend and hold harmless the Lessee, its officers, agents and employees from any and all claims or liabilities which may result from the negligent acts or omissions of the Lessor. In the event of concurrent negligence of Lessee and Lessor, then the liability for any and all claims or judgments for damages or injury shall be apportioned in accordance with the laws of the state in which the Premises is located.

**23. SIGNAGE:** All signs, banner, lettering, advertising, lighting, or any other things of any kind visible from the exterior of the Premises installed or affixed by the Lessee shall be first approved by written consent from the Lessor. The method of installation of the same shall also be first approved in writing by the Lessor. However, Lessor agrees that such approval shall not be unreasonably withheld. Lessor agrees to such signage as specified below:

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**24. INSOLVENCY AND BANKRUPTCY:** In the event that all or a substantial portion of the assets of the Lessee are placed in the hands of a receiver or Trustee, or should the Lessee make an assignment for the benefit of creditors or any action taken or suffered by Lessee under any insolvency, bankruptcy, or reorganization action, shall constitute a breach of this Lease by Lessee. In no event shall this Lease, in whole or part, be assigned or assignable by voluntary or involuntary bankruptcy proceedings or by operation of law or otherwise. In no event shall any rights or privileges hereunder be considered an asset of the Lessee under any bankruptcy, insolvency, or reorganization proceedings.

**25. SUBORDINATION:** It is agreed that upon request of the Lessor, Lessee shall subordinate its rights under this Lease to the lien of any mortgage placed upon the Premises or Building/Complex or hereafter and to all advances made or hereafter to be made upon the security thereof, and to any ground or underlying lease of the property provided, however, in such case the mortgage holder, or the Lessor under such Lease shall agree that this Lease shall be binding upon the successor and assigns of the parties thereto, by the terms of which the mortgage holder agrees not to disturb the possession, peaceable and quiet enjoyment and other rights of Lessee under this lease, so long as the Lessee shall not be in default under the terms of the Lease and Lessee agrees to recognize such holder or any other person acquiring title to the Premises, for any reason, as Lessor under this Lease.

**26. EMINENT DOMAIN AND CONDEMNATION:** If the Premises, in whole or part, shall be taken or acquired by any public or quasi-public authority under the power or threat of eminent domain the term of the Lease shall cease as of the day possession shall be taken by said public or quasi-public authority, and Lessee agrees to pay Base Rent and all Operating Expenses due Lessor under this Lease up to that date and Lessor agrees to refund to Lessee any rent or advances which may have been paid for any period subsequent to such date. In the event that during the term of this Lease the Premises, in whole or part, or more than \_\_\_\_\_ of the Building/Complex or Common Area where Premises is located is taken by condemnation or right of eminent domain, or by private purchase in lieu thereof, the Lessor at Lessor's sole option shall have the right to terminate the Lease and the term hereby granted and the Lease shall expire on the date when possession shall be taken by condemnor and the Base Rent shall forthwith be repaid by Lessor to Lessee.

In the event Lessor elects to not terminate this Lease as provided above, the Lessor shall restore the Premises as close to their condition immediately prior to any such possession as nearly as possible and this Lease shall continue in full force except that, during the period of restoration of Premises, the Base Rent shall be equitably apportioned to the portion that the square footage of the part of the Premises so taken as a result of condemnation bears to the total square footage of the Premise immediately prior to such taking. However, in no event shall there be an abatement of the payment of Operating Costs. Additionally, Lessor shall not be obligated to restore the Premises to an amount in excess of the proceeds obtained from such taking (less expenses incurred in collecting the same). In the event that the condemnation compensation awarded or paid to Lessor upon any partial or total taking of the Premises is insufficient to restore the Premises to nearly its condition immediately prior to such taking, Lessor shall have the option to terminate this Lease within \_\_\_\_\_ days after Lessor's receipt of net condemnation award and Lessee shall be limited to receive consequential damages.

The condemnation award paid upon the partial or total taking of the Premises shall belong to and be the property of the Lessor. Under this Lease, Lessee shall not be prevented from pursuing separate award from condemning authority to cover



it's moving expenses, personal property, or for consequential damages, as long as Lessee's award does not in any way reduce the condemnation award granted from condemning authority to Lessor.

**27. MISCELLANEOUS:**

- I. **Pets:** The only pets that shall be allowed on the Premises are those needed legally due to a disability or handicap.
- II. **Right of Entry:** Lessor, its agents and employees shall have the complete and unencumbered right of entry to the Premises at any time or times for purposes of inspecting, showing or repairing the Premises or with respect to the inspection, maintenance or repair of the Building/Complex where Premise is located.
- III. **Estoppel Certificate:** At the request of the Lessor, and upon at least ten (10) days prior written notice, Lessee shall execute, acknowledge and deliver to Lessor, a statement certifying the Lease has not be modified or changed in any way and that it remains in full force and effect, or if the Lease has been modified, by mutual agreement, then the same is in full force and effect with exception of the modified terms, which are to be listed in the statement, also stating the dates to which the Base Rent and additional rents have been paid, and stating whether or not there exists any default by Lessor under the Lease and, if so, identifying any and every such default.
- IV. **Waiver:** No waiver of any condition, obligation or covenant in this Lease by the Lessee or Lessor shall constitute or deem to imply any further waiver of the same or any other condition, obligation or covenant in this Lease.
- V. **Notices:** All notices given under this Lease must be in writing. A notice is effective upon receipt and shall be delivered in person, by overnight courier services, via certified or registered mail, or by first class U.S. Mail, postage prepaid, to Lessor and Lessee at the addresses specified below, or to such other addresses which a party may designate in writing delivered to other party for such purpose.

Lessor  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Lessee  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

- VI. **Dispute Resolution:** Any dispute arising out of or related to this Lease that Lessee and Lessor are unable to resolve by themselves shall be resolved through mediation.
- VII. **Force Majeure:** In the event that either the Lessor or Lessee is hindered or prevented from fulfilling its obligation hereunder (other than an obligation for the payment of money), when such failure to perform is due to act of God, or other circumstances or causes beyond its reasonable control, including but not limited to fire, flood, civil unrest, riot, war, governmental laws or regulations, then failure to perform shall be excused for the period of the delay and then such party shall not be liable or responsible for any such delays until such time thereafter as is reasonable to enable the party to resume performance under this Lease, provided however, that in no even shall such period of time extend more than \_\_\_\_\_.

**28. GOVERNING LAW:** This Lease has been executed under and shall be governed by the laws of the State of \_\_\_\_\_ without regard to the state's conflict of law principles. The Lessee and Lessor agree and covenant that any and all disputes, claims and actions arising from this Lease, shall be filed and heard in the venue of \_\_\_\_\_ county, state of \_\_\_\_\_ and that jurisdiction shall lie in such county and state.

**29. COMPLETE AGREEMENT:** This Lease contains a complete expression of the agreement between the Lessee and Lessor and there are no promises, representations or inducements except such as are herein provided.

**30. AMENDMENT:** No modification or amendment of this Lease shall be effective unless reduced to writing and subscribed by the parties with all the formality of the original.

**31. BINDING EFFECT:** This Lease and any amendments thereto shall be binding upon and inure to the benefit of the Lessor and Lessee and/or their respective successors, heirs, assigns, executors and administrators, but shall create no rights in any other person except as may be specifically provided herein.

**IN WITNESS WHEREOF,** the parties hereto have caused this Lease to be executed as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**Lessee's Signature**

**Printed Name**

\_\_\_\_\_

\_\_\_\_\_

**Lessor's Signature**

**Printed Name**

\_\_\_\_\_

\_\_\_\_\_

**ACKNOWLEDGMENT OF NOTARY PUBLIC**

STATE OF \_\_\_\_\_  
\_\_\_\_\_ County, ss.

On this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me appeared \_\_\_\_\_, as **LESSOR** of this Commercial Lease Agreement who proved to me through government issued photo identification to be the above-named person, in my presence executed foregoing instrument and acknowledged that they executed the same as their free act and deed.

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_

**ACKNOWLEDGMENT OF NOTARY PUBLIC**

STATE OF \_\_\_\_\_  
\_\_\_\_\_ County, ss.

On this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me appeared \_\_\_\_\_, as **LESSEE** of this Commercial Lease Agreement who proved to me through government issued photo identification to be the above-named person, in my presence executed foregoing instrument and acknowledged that they executed the same as their free act and deed.

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_