

1 SPRING ST LEASE

COMMERCIAL LEASE (MODIFIED GROSS)

1. PARTIES

Four City Center Properties, LLC with a mailing address of P. O. Box 403, Portland, Maine ("LANDLORD"), hereby leases to **John Kreis and Alex Russak d/b/a Old Port Vape Shop** with a mailing address of _____ ("TENANT"), and the TENANT hereby leases from LANDLORD the following described premises:

2. PREMISES

The Premises are deemed to contain **1600+/-** square feet. The Premises are located at **1 Spring Street, Portland, Maine**, together with the right to use in common, with others entitles thereto, the hallways, stairways and elevators necessary for access to said leased premises, and lavatories nearest thereto. The leased premises are accepted in "as is" condition except if specifically set forth to the contrary in this lease. No Parking is provided as part of this lease.

3. TERM

The term of this lease shall be for **One (1) Year**, unless sooner terminated as herein provided, commencing on **October 1, 2016**, and ending on **September 30, 2017**.

4. RENT

The TENANT shall pay to the LANDLORD the following base rent:

<u>Lease Year(s)</u>	<u>Annual Base Rent</u>	<u>Monthly Rent</u>
<u>1</u>	<u>\$18,000.00</u>	<u>\$1,500.00</u>

payable in advance in equal monthly installments on the first day of each month during the term, said rent to be prorated for portions of a calendar month at the beginning or end of said term, all payments to be made to LANDLORD or to such agent and at such place as LANDLORD shall from time in writing designate the following being now so designated: **Four City Center Properties, LLC PO Box 403, Portland, ME 04112**. TENANT does not pay base rent, supplemental and additional rents, or other fees and charges when due pursuant to the terms of this Lease, then LANDLORD, in its sole discretion, may charge, in addition to any other remedies it may have, a late charge for each month or part thereof that TENANT fails to pay the amount due after the due date. The late charge shall be equal to four percent (4%) of the amount due LANDLORD each month in addition to the rent then due.

5. RENEWAL

So long as TENANT has not been in default of this lease during the term hereof; TENANT shall have the option to renew this lease for **two (2) 1-year terms**. In order to exercise TENANT'S option, TENANT shall notify LANDLORD in writing by Certified or Registered Mail of its intention to exercise its option on or before six (6) months prior to the end of the then current term, said renewal to be upon the same terms and conditions set forth in this Lease except for rent which shall be as follows:

Effective on the first day of the first renewal year and thereafter effective on the first day of each subsequent year of the renewal term, the base rent shall increase by Three Percent (3.0%) over the previous year's base rent (i.e., each year's base rent shall be determined by multiplying the previous year's base rent by 1.03).

In the event that TENANT fails to perform its obligations under this Section, time being of the essence, the option shall be deemed not to have been exercised.

rent, less any estimated payments. If the estimated payments exceed TENANT'S share, then the excess shall be applied to the next year's monthly payments for estimated increases.

8. UTILITIES

The TENANT shall pay, as they become due, all bills for electricity and other utilities (whether they are used for furnishing heat or other purposes) that are furnished to the leased premises and presently separately metered, all bills for fuel furnished to a separate tank servicing the leased premises exclusively and all charges for telephone and other communication systems used at, and supplied to, the leased premises. The LANDLORD agrees to furnish water for ordinary drinking, cleaning, lavatory and toilet facilities and reasonable heat and air conditioning, if installed as part of the structure of the building (except to the extent that the same are furnished through separately metered utilities or separate fuel tanks as set forth above), so as to maintain the leased premises and common areas of the building at comfortable levels during normal business hours on regular business days of the heating and air conditioning seasons of each year, to furnish elevator service, if installed as part of the structure of the building, and to light passageways and stairways during business hours, and to furnish such cleaning service as is customary in similar buildings in said city or town, all subject to interruption due to any accident, to the making of repairs, alterations or improvements, to labor difficulties, to trouble in obtaining fuel, electricity, service, or supplies from the sources from which they are usually obtained for said building, or to any cause beyond the LANDLORD'S control.

LANDLORD shall have no obligation to provide utilities or equipment other than the utilities and equipment within the leased premises as of the commencement date of this lease. In the event TENANT requires additional utilities or equipment, the installation and maintenance thereof shall be the TENANT'S sole obligation, provided that such installation shall be subject to the written consent of the LANDLORD.

9. USE OF LEASE PREMISES

The TENANT shall use the leased premises only for the purpose of Retail Space for the sale of Vape and Vape Supply Products. It is TENANT'S responsibility to determine all zoning information and secure all necessary or required permits and approvals for its intended use.

10. COMPLIANCE WITH THE LAWS

TENANT agrees to conform to the following provisions during the entire term of this lease: (i) TENANT shall not injure or deface the leased premises or building; (ii) No inflammable fluids, chemicals, nuisance, objectionable noise or odor shall be permitted on the leased premises; (iii) TENANT shall not permit the use of the leased premises for any purpose other than set forth herein or any use thereof which is improper, offensive, contrary to law or ordinance, or liable to invalidate or increase, the premiums for any insurance on the building or its contents or liable to render necessary any alterations or additions to the building; and (iv) TENANT shall not obstruct in any manner any portion of the building not hereby demised or the sidewalks or approaches to said building or any inside or outside windows or doors. TENANT shall observe and comply with all reasonable rules and security regulations now or hereafter made by LANDLORD for the care and use of the leased premises, the building, its facilities and approaches. TENANT agrees to keep the leased premises equipped with all safety appliances and make all accessibility alterations, improvements or installations to the building, and/or accommodations in TENANT'S use thereof required by law or any public authority as a result of

14.
SUBORDINATION
AND QUIET
ENJOYMENT

This lease shall be subject and subordinate to any and all mortgages, deeds of trust and other instruments in the nature of a mortgage, now or at any time hereafter a lien or liens on the property of which the leased premises are a part and the TENANT shall, when requested, promptly execute and deliver such written instruments as shall be necessary to show the subordination of this lease to said mortgages, deeds of trust or other such instruments in the nature of a mortgage provided that LANDLORD deliver to TENANT a non-disturbance agreement from said lenders or mortgagees in favor TENANT, such that TENANT'S occupancy will not be disturbed in the event of a sale, foreclosure or other event of transfer. Provided the TENANT performs all of its obligations under this lease, the TENANT shall be entitled to the quiet enjoyment of the leased Premises.

15. LANDLORD'S
ACCESS

The LANDLORD or agents of the LANDLORD may, at all reasonable times during the term of this lease, enter the leased premises (i) to examine the leased premises and, if LANDLORD shall so elect, to make any repairs or additions LANDLORD may deem necessary and, at TENANT'S expense, to remove any alterations, additions, signs, drapes, curtains, shades, awnings, aerials or flagpoles, or the like, not consented to in writing, (ii) with 24 hour- notice, to show the leased premises to prospective purchasers and mortgagees, and (iii) with 24 hours-notice, to show the leased premises to prospective tenants during the six (6) months preceding the expiration of this lease. LANDLORD also reserves the right at any time within six (6) months before the expiration of this lease to affix to any suitable part of the leased premises a notice for letting or selling the leased premises or property of which the leased premises are a part and to keep the same so affixed without hindrance or molestation.

16.
INDEMNIFICATION
AND LIABILITY

TENANT will defend and, except to the extent caused by the negligence or willful conduct of LANDLORD, will indemnify LANDLORD and its employees, agents and management company, and save them harmless from any and all injury, loss, claim, damage, liability and expense (including reasonable attorneys' fees) in connection with the loss of life, personal injury or damage to property or business, arising from, related to, or in connection with the occupancy or use by TENANT of the leased premises or any part of LANDLORD'S property or the building, or occasioned wholly or in part by any act or omission of TENANT, its contractors, subcontractors, subtenants, licensees or concessionaires, or its or their respective agents, servants or employees and any person or property while on or about the leased premises. TENANT shall also pay LANDLORD'S expenses, including reasonable attorneys' fees, incurred by LANDLORD in enforcing any obligation, covenant or agreement of this lease. The provisions of this paragraph shall survive the termination or earlier expiration of the term of this lease. Without limitation of any other provision herein, neither the LANDLORD, its employees, agents nor management company shall be liable for, and TENANT hereby releases them from all claims for, any injuries to any person or damages to property or business sustained by TENANT or any person claiming through TENANT due to the building or any part thereof (including the premises), or any appurtenances thereof, being in need of repair or due to the happening of any accident in or about the building or the leased premises or due to any act or neglect of any tenant of the building or of any employee or visitor of TENANT. Without limitation, this provision shall apply to injuries and damage caused by nature, rain, snow, ice, wind, frost, water, steam, gas or odors in any form or by the bursting or leaking of windows, doors, walls, ceilings,

creditors, or a receiver, guardian, conservator, trustee in bankruptcy or similar officer shall be appointed by a court of competent jurisdiction to take charge of all or any part of TENANT'S property, or a petition is filed by TENANT under any bankruptcy insolvency or other debtor relief law.

then and in any of said cases (notwithstanding any license of any former breach of covenant or waiver of the benefit hereof or consent in a former instance), LANDLORD shall be entitled to all remedies available to LANDLORD at law and equity, including without limitation, the remedy of forcible entry and detainer, and LANDLORD lawfully may, immediately or at any time thereafter, and without demand or notice, mail a notice of termination to the TENANT, or enter into and upon the leased premises or any part thereof in the name of the whole and repossess the same as of its former estate, and expel TENANT and those claiming through or under it and remove it or their effects without being deemed guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant, and upon such mailing or entry as aforesaid, this lease shall terminate; and TENANT covenants and agrees, notwithstanding any entry or re-entry by LANDLORD, whether by summary proceedings, termination, or otherwise, that TENANT shall, as of the date of such termination, immediately be liable for and pay to LANDLORD the entire unpaid rental and all other balances due under this Lease for the remainder of the term. In addition, TENANT agrees to pay to LANDLORD, as damages for any above described breach, all costs of relating the Leased Premises including real estate commissions as well as attorney fees.

20. NOTICE

Any notice from the LANDLORD to the TENANT relating to the leased premises or to the occupancy thereof, shall be deemed duly served, if left at the leased premises addressed to the TENANT, or if mailed to the leased premises, registered or certified mail, return receipt requested, postage prepaid, addressed to the TENANT. Any notice from the TENANT to the LANDLORD relating to the leased premises or to the occupancy thereof, shall be deemed duly served, if mailed to the LANDLORD by registered or certified mail, return receipt requested, postage prepaid, addressed to the LANDLORD at LANDLORD'S address set forth in Article 1, or at such other address as the LANDLORD may from time to time advise in writing.

21. SURRENDER

The TENANT shall at the expiration or other termination of this lease peaceably yield up the leased premises and all additions, alterations and improvements thereto in good order, repair and condition, damage by fire, unavoidable casualty, and reasonable wear and tear only excepted, first moving all goods and effects not attached to the leased premises, repairing all damage caused by such removal, and leaving the leased premises clean and tenantable. If LANDLORD in writing permits TENANT to leave any such goods and chattels at the leased premises, and the TENANT does so, TENANT shall have no further claims and rights in such goods and chattels as against the LANDLORD or those claiming by, through or under the LANDLORD.

22. HAZARDOUS MATERIALS

TENANT covenants and agrees that, with respect to any hazardous, toxic or special wastes, materials or substances including asbestos, waste oil and petroleum products (the "Hazardous Materials") which TENANT, its agent or employees, may use, handle, store or generate in the conduct of its business at (the leased premises TENANT will: (i) comply with all applicable laws, ordinances and regulations

base rent, which shall be increased to two (2) times the then current base rent for the period Just preceding such termination; but this provision shall not be interpreted as consent or permission by the LANDLORD for TENANT to holdover at the termination of this lease and terms of this holdover provision shall not preclude LANDLORD from recovering any other damages which it Incurs as a result of TENANT'S failure to vacate the leased premises at the termination of this lease.

28. MISC.

If TENANT is more than one person or party, TENANT'S obligations shall be joint and several. Unless repugnant to the context. "LANDLORD" and "TENANT" mean the person or persons, natural or corporate, named above as LANDLORD and TENANT respectively, and their respective heirs, executors, administrators, successors and assigns. LANDLORD and TENANT agree that this lease shall not be recordable but each party hereto agrees, on request of the other, to execute a Memorandum of Lease in recordable form and mutually satisfactory to the parties. If any provision of this lease or its application to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this lease or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby and each provision of this lease shall be valid and enforceable to the fullest extent permitted by law. The submission of this lease or a summary of some or all of its provisions for examination by TENANT does not constitute a reservation of or option for the premises or an offer to lease said premises, and this document shall become effective and binding only upon the execution and delivery hereof by both LANDLORD and TENANT. Employees or agents of LANDLORD have no authority to make or agree to make a lease or any other agreement or undertaking in connection herewith. All negotiations, considerations, representations and understandings between LANDLORD and TENANT are incorporated herein and no prior agreements or understandings, written or oral, shall be effective for any purpose. No provision of this Lease may be modified or altered except by agreement in writing between LANDLORD and TENANT, and no act or omission of any employee or agent of LANDLORD shall alter, change, or modify any of the provisions hereof. This lease shall be governed exclusively by the provisions hereof and by the laws of the State of Maine. The headings herein contained are for convenience only, and shall not be considered a part of this lease.

29. SIGNAGE

Signage will be at TENANT's sole expense; however, subject to the prior written approval of design and location by LANDLORD prior to installation and also subject to any standards in use at the property including but not limited to any local or state zoning ordinances or laws. LANDLORD approval shall not be unreasonably withheld or delayed.

30. BROKERAGE

TENANT warrants and represents to LANDLORD that it has not dealt with any broker, finder or similar person concerning the leasing of the leased premises, other than: **SVN The Burbank Group** ("BROKERS"), and in the event of any brokerage claims against LANDLORD predicated upon dealings with TENANT other than by the BROKER, TENANT agrees to defend the same and indemnify LANDLORD against any such claim. LANDLORD agrees to pay the BROKER its commission upon execution of this lease.