

# COMMERCIAL LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into April 15, 2013, by and between Duc Ho, whose address is 17 Allen Road, South Portland, ME 04106 (hereinafter referred to as "Landlord"), and:

Omar, Oman A  
3 Cherry Street  
Portland, ME; 04102  
(hereinafter referred to as "Tenants").

## ARTICLE I - GRANT OF LEASE

Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by the Tenants, does hereby lease to the Tenants and the Tenants does hereby lease and take from the Landlord the second floor of the building located at 249 St. John Street, Portland, ME 04102 together with, as part of the parcel, all improvements located thereon and those additional items listed in Schedule A attached hereto.

## ARTICLE II - LEASE TERM

**Section 1. Total Term of Lease.** The term of this Lease shall begin on the commencement date, as defined in Section 2 of this Article II, and shall terminate on April 15, 2015

**Section 2. Commencement Date.** The "Commencement Date" shall mean April 15, 2013

## ARTICLE III - EXTENSIONS

The parties hereto may elect to extend this Agreement upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such extension.

## ARTICLE IV - DETERMINATION OF RENT

The Tenants agrees to pay the Landlord and the Landlord agrees to accept, during the term hereof, at such place as the Landlord shall from time to time direct by notice to the Tenants, rent at the following rates and times:

**Section 1. Annual Rent.** Annual rent for the term of the Lease shall be Nine Thousand Six Hundred Dollars (\$9,600.00).

**Section 2. Payment of Yearly Rent.** The annual rent shall be payable in advance in equal monthly installments of one-twelfth (1/12th) of the total yearly rent, which shall be Eight Hundred Dollars (\$800.00), on before 4 days of the first day of each and every calendar month during the term hereof, and prorata for the fractional portion of any month, except that on the fifteen day of the calendar month immediately following the Commencement Date, the Tenants

shall also pay to the Landlord rent at the said rate for any portion of the preceding calendar month included in the term of this Lease.

Reference to yearly rent hereunder shall not be implied or construed to the effect that this Lease or the obligation to pay rent hereunder is from year to year, or for any term shorter than the existing Lease term, plus any extensions as may be agreed upon.

Prior to occupying the premises Tenants shall pay to the Landlord the sum of One Thousand Six Hundred Dollars (\$1600.00) as first and last month's rent.

#### **ARTICLE V - SECURITY DEPOSIT**

The Tenants has deposited with the Landlord the sum of Eight Hundred Dollars (\$800.00) as security for the full and faithful performance by the Tenants of all the terms of this lease required to be performed by the Tenants. Such sum shall be returned to the Tenants after the expiration of this lease, provided the Tenants has fully and faithfully carried out all of its terms. In the event of a bona fide sale of the property of which the leased premises are a part, the Landlord shall have the right to transfer the security to the purchaser to be held under the terms of this lease, and the Landlord shall be released from all liability for the return of such security to the Tenants.

#### **ARTICLE VI - TAXES**

**Section 1. Personal Property Taxes.** The Tenants shall be liable for all taxes levied against any leasehold interest of the Tenants or personal property and trade fixtures owned or placed by the Tenants in the Leased Premises.

**Section 2. Real Estate Taxes.** During the continuance of this lease Landlord be responsible for all property taxes

#### **ARTICLE VII - CONSTRUCTION AND COMPLETION**

**Section 1. Improvements by TENANTS.** Tenants shall obtain all certificates, permits, licenses and other authorizations of governmental bodies or authorities which are necessary to permit the construction of any improvements on the demised premises and shall keep the same in full force and effect at Tenants' cost.

Tenants shall negotiate, let and supervise all contracts for the furnishing of services, labor, and materials for the construction of the improvements on the demised premises at its cost. All such contracts shall require the contracting party to guarantee performance and all workmanship and materials installed by it for a period of one year following the date of completion of construction. Tenants shall cause all contracts to be fully and completely performed in a good and workmanlike manner, all to the effect that the improvements shall be fully and completely constructed and installed in accordance with good engineering and construction practice.

During the course of construction, Tenants shall, at its cost, keep in full force and effect a policy of builder's risk and liability insurance in a sum equal, from time to time, to three times the

amount expended for construction of the improvements. All risk of loss or damage to the improvements during the course of construction shall be on Tenants with the proceeds from insurance thereon payable to Landlord.

Upon completion of construction, Tenants shall, at its cost, obtain an occupancy permit and all other permits or licenses necessary for the occupancy of the improvements and the operation of the same as set out herein and shall keep the same in force.

Nothing herein shall alter the intent of the parties that Tenants shall be fully and completely responsible for all aspects pertaining to the construction of the improvements of the demised premises and for the payment of all costs associated therewith. Landlord shall be under no duty to investigate or verify Tenants' compliance with the provision herein. Moreover, neither Tenants nor any third party may construe the permission granted Tenants hereunder to create any responsibility on the part of the Landlord to pay for any improvements, alterations or repairs occasioned by the Tenants. The Tenants shall keep the property free and clear of all liens and, should the Tenants fail to do so, or to have any liens removed from the property within fourteen (14) days of notification to do so by the Landlord, in addition to all other remedies available to the Landlord, the Tenants shall indemnify and hold the Landlord harmless for all costs and expenses, including attorney's fees, occasioned by the Landlord in having said lien removed from the property; and, such costs and expenses shall be billed to the Tenants monthly and shall be payable by the Tenants with that month's regular monthly rental as additional reimbursable expenses to the Landlord by the Tenant

**Section 2. Requirements of the Law.** The Tenants agrees that if any federal, state or municipal government or any department or division thereof shall condemn the Leased Premises or any part thereof as not in conformity with the laws and regulations relating to the construction thereof as of the commencement date with respect to conditions latent or otherwise which existed on the Commencement Date, or, with respect to items which are the Landlord's duty to repair pursuant to Section 1 and 3 of this Article; and such federal, state or municipal government or any other department or division thereof, has ordered or required, or shall hereafter order or require, any alterations or repairs thereof or installations and repairs as may be necessary to comply with such laws, orders or requirements (the validity of which the Tenants shall be entitled to contest); and if by reason of such laws, orders or the work done by the Landlord in connection therewith, the Tenants is deprived of the use of the Leased Premises, the rent shall be abated or adjusted, as the case may be, in proportion to that time during which, and to that portion of the Leased Premises of which, the Tenants shall be deprived as a result thereof, and the Landlord shall be obligated to make such repairs, alterations or modifications at Landlord's expense.

All such rebuilding, altering, installing and repairing shall be done in accordance with Plans and Specifications approved by the Tenants, which approval shall not be unreasonably withheld. If, however, such condemnation, law, order or requirement, as in this Article set forth, shall be with respect to an item which shall be the Tenants' obligation to repair pursuant to Section 2 of this Article VII or with respect to Tenants' own costs and expenses, no abatement or adjustment of rent shall be granted; provided, however, that Tenants shall also be entitled to contest the validity thereof.

**Section 3. TENANTS' Alterations.** The Tenants shall have the right, at its sole expense, from time to time, to redecorate the Leased Premises and to make such non-structural alterations and changes in such parts thereof as the Tenants shall deem expedient or necessary for its purposes; provided, however, that such alterations and changes shall neither impair the structural soundness nor diminish the value of the Leased Premises. The Tenants may make structural alterations and additions to the Leased Premises provided that Tenants has first obtained the consent thereto of the Landlord in writing. The Landlord agrees that it shall not withhold such consent unreasonably. The Landlord shall execute and deliver upon the request of the Tenants such instrument or instruments embodying the approval of the Landlord which may be required by the public or quasi public authority for the purpose of obtaining any licenses or permits for the making of such alterations, changes and/or installations in, to or upon the Leased Premises and the Tenants agrees to pay for such licenses or permits.

**Section 4. Permits and Expenses.** Each party agrees that it will procure all necessary permits for making any repairs, alterations, or other improvements for installations, when applicable. Each Party hereto shall give written notice to the other party of any repairs required of the other pursuant to the provisions of this Article and the party responsible for said repairs agrees promptly to commence such repairs and to prosecute the same to completion diligently, subject, however, to the delays occasioned by events beyond the control of such party.

Each party agrees to pay promptly when due the entire cost of any work done by it upon the Leased Premises so that the Leased Premises at all times shall be free of liens for labor and materials. Each party further agrees to hold harmless and indemnify the other party from and against any and all injury, loss, claims or damage to any person or property occasioned by or arising out of the doing of any such work by such party or its employees, agents or contractors. Each party further agrees that in doing such work that it will employ materials of good quality and comply with all governmental requirements, and perform such work in a good and workmanlike manner.

## ARTICLE IX - TENANTS' COVENANTS

**Section 1. TENANTS' Covenants.** Tenants covenants and agrees as follows:

- a. To procure any licenses and permits required for any use made of the Leased Premises by Tenants, and upon the expiration or termination of this Lease, to remove its goods and effects and those of all persons claiming under it, and to yield up peaceably to Landlord the Leased Premises in good order, repair and condition in all respects; excepting only damage by fire and casualty covered by Tenants' insurance coverage, structural repairs (unless Tenants is obligated to make such repairs hereunder) and reasonable wear and tear;
- b. To permit Landlord and its agents to examine the Leased Premises at reasonable times and to show the Leased Premises to prospective purchasers of the Building and to provide Landlord, if not already available, with a set of keys for the purpose of said examination, provided that Landlord shall not thereby unreasonably interfere with the conduct of Tenants' business;

c. To permit Landlord to enter the Leased Premises to inspect such repairs, improvements, alterations or additions thereto as may be required under the provisions of this Lease. If, as a result of such repairs, improvements, alterations, or additions, Tenants is deprived of the use of the Leased Premises, the rent shall be abated or adjusted, as the case may be, in proportion to that time during which, and to that portion of the Leased Premises of which, Tenants shall be deprived as a result thereof.

## ARTICLE X - INDEMNITY BY TENANTS

**Section 1. Indemnity and Public Liability.** The Tenants shall save Landlord harmless and indemnify Landlord from all injury, loss, claims or damage to any person or property while on the Leased Premises, unless caused by the willful acts or omissions or gross negligence of Landlord, its employees, agents, licensees or contractors.

## ARTICLE XI - USE OF PROPERTY BY TENANTS

**Section 1. Use.** The Leased Premises may be occupied and used by Tenants for any purposes not contrary to law.

Nothing herein shall give Tenants the right to use the property for any other purpose or to sublease, assign, or license the use of the property to any sublessee, assignee, or licensee, which or who shall use the property for any other use.

## ARTICLE XII - SIGNAGE

**Section 1. Exterior Signs.** Tenants shall have the right, at their sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair or replace, if they shall so elect signs on any portion of the Leased Premises, providing that Tenants shall remove any such signs upon termination of this lease, and repair all damage occasioned thereby to the Leased Premises.

**Section 2. Interior Signs.** Tenants shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect, maintain, place and install its usual and customary signs and fixtures in the interior of the Leased Premises.

## ARTICLE XIII - INSURANCE

**Section 1. Insurance Proceeds.** In the event of any damage to or destruction of the Leased Premises, Tenants shall adjust the loss and settle all claims with the insurance companies issuing such policies. The parties hereto do irrevocably assign the proceeds from such insurance policies for the purposes hereinafter stated to any institutional first mortgagee or to Landlord and Tenants jointly, if no institutional first mortgagee then holds an interest in the Leased Premises. All

proceeds of said insurance shall be paid into a trust fund under the control of any institutional first mortgagee, or of Landlord and Tenants if no institutional first mortgagee then holds an interest in the Leased Premises, for repair, restoration, rebuilding or replacement, or any combination thereof, of the Leased Premises or of the improvements in the Leased Premises. In case of such damage or destruction, Landlord shall be entitled to make withdrawals from such trust fund, from time to time, upon presentation of:

a. bills for labor and materials expended in repair, restoration, rebuilding or replacement, or any combination thereof;

b. Landlord's sworn statement that such labor and materials for which payment is being made have been furnished or delivered on site; and

c. the certificate of a supervising architect (selected by Landlord and Tenants and approved by an institutional first mortgagee, if any, whose fees will be paid out of said insurance proceeds) certifying that the work being paid for has been completed in accordance with the Plans and Specifications previously approved by Landlord, Tenants and any institutional first mortgagee in a first class, good and workmanlike manner and in accordance with all pertinent governmental requirements.

Any insurance proceeds in excess of such proceeds as shall be necessary for such repair, restoration, rebuilding, replacement or any combination thereof shall be the sole property of Landlord subject to any rights therein of Landlord's mortgagee, and if the proceeds necessary for such repair, restoration, rebuilding or replacement, or any combination thereof shall be inadequate to pay the cost thereof, Tenants shall suffer the deficiency.

**Section 2. Subrogation.** Landlord and Tenants hereby release each other, to the extent of the insurance coverage provided hereunder, from any and all liability or responsibility (to the other or anyone claiming through or under the other by way of subrogation or otherwise) for any loss to or damage of property covered by the fire and extended coverage insurance policies insuring the Leased Premises and any of Tenants' property, even if such loss or damage shall have been caused by the fault or negligence of the other party.

#### **ARTICLE XIV - DAMAGE TO DEMISED PREMISES**

**Section 1. Abatement or Adjustment of Rent.** If the whole or any part of the Leased Premises shall be damaged or destroyed by fire or other casualty after the execution of this Lease and before the termination hereof, then in every case the rent reserved in Article IV herein and other charges, if any, shall be abated or adjusted, as the case may be, in proportion to that portion of the Leased Premises of which Tenants shall be deprived on account of such damage or destruction and the work of repair, restoration, rebuilding, or replacement or any combination thereof, of the improvements so damaged or destroyed, shall in no way be construed by any person to effect any reduction of sums or proceeds payable under any rent insurance policy.

**Section 2. Repairs and Restoration.** Landlord agrees that in the event of the damage or destruction of the Leased Premises, Landlord forthwith shall proceed to repair, restore, replace or rebuild the Leased Premises (excluding Tenants' leasehold improvements), to substantially the condition in which the same were immediately prior to such damage or destruction. The Landlord thereafter shall diligently prosecute said work to completion without delay or interruption except for events beyond the reasonable control of Landlord . Notwithstanding the foregoing, if Landlord does not either obtain a building permit within ninety (90) days of the date of such damage or destruction, or complete such repairs, rebuilding or restoration and comply with conditions (a), (b) and (c) in Section 1 of Article XIII within nine (9) months of such damage or destruction, then Tenants may at any time thereafter cancel and terminate this Lease by sending ninety (90) days written notice thereof to Landlord , or, in the alternative, Tenants may, during said ninety (90) day period, apply for the same and Landlord shall cooperate with Tenants in Tenants' application. Notwithstanding the foregoing, if such damage or destruction shall occur during the last year of the term of this Lease, or during any renewal term, and shall amount to twenty-five (25%) percent or more of the replacement cost, (exclusive of the land and foundations), this Lease, except as hereinafter provided in Section 3 of Article XV, may be terminated at the election of either Landlord or Tenants, provided that notice of such election shall be sent by the party so electing to the other within thirty (30) days after the occurrence of such damage or destruction. Upon termination, as aforesaid, by either party hereto, this Lease and the term thereof shall cease and come to an end, any unearned rent or other charges paid in advance by Tenants shall be refunded to Tenants, and the parties shall be released hereunder, each to the other, from all liability and obligations hereunder thereafter arising.

## ARTICLE XV - CONDEMNATION

**Section 1. Total Taking.** If, after the execution of this Lease and prior to the expiration of the term hereof, the whole of the Leased Premises shall be taken under power of eminent domain by any public or private authority, or conveyed by Landlord to said authority in lieu of such taking, then this Lease and the term hereof shall cease and terminate as of the date when possession of the Leased Premises shall be taken by the taking authority and any unearned rent or other charges, if any, paid in advance, shall be refunded to Tenants.

**Section 2. Partial Taking.** If, after the execution of this Lease and prior to the expiration of the term hereof, any public or private authority shall, under the power of eminent domain, take, or Landlord shall convey to said authority in lieu of such taking, property which results in a reduction by fifteen (15%) percent or more of the area in the Leased Premises, or of a portion of the Leased Premises that substantially interrupts or substantially obstructs the conducting of business on the Leased Premises; then Tenants may, at its election, terminate this Lease by giving Landlord notice of the exercise of Tenants' election within thirty (30) days after Tenants shall receive notice of such taking. In the event of termination by Tenants under the provisions of Section 1 of this Article XV, this Lease and the term hereof shall cease and terminate as of the date when possession shall be taken by the appropriate authority of that portion of the Entire Property that results in one of the above takings, and any unearned rent or other charges, if any, paid in advance by Tenants shall be refunded to Tenants.

**Section 3. Restoration.** In the event of a taking in respect of which Tenants shall not have the right to elect to terminate this Lease or, having such right, shall not elect to terminate this Lease, this Lease and the term thereof shall continue in full force and effect and Landlord, at Landlord's sole cost and expense, forthwith shall restore the remaining portions of the Leased Premises, including any and all improvements made theretofore to an architectural whole in substantially the same condition that the same were in prior to such taking. A just proportion of the rent reserved herein and any other charges payable by Tenants hereunder, according to the nature and extent of the injury to the Leased Premises and to Tenants' business, shall be suspended or abated until the completion of such restoration and thereafter the rent and any other charges shall be reduced in proportion to the square footage of the Leased Premises remaining after such taking.

**Section 4. The Award.** All compensation awarded for any taking, whether for the whole or a portion of the Leased Premises, shall be the sole property of the Landlord whether such compensation shall be awarded for diminution in the value of, or loss of, the leasehold or for diminution in the value of, or loss of, the fee in the Leased Premises, or otherwise. The Tenants hereby assigns to Landlord all of Tenants' right and title to and interest in any and all such compensation. However, the Landlord shall not be entitled to and Tenants shall have the sole right to make its independent claim for and retain any portion of any award made by the appropriating authority directly to Tenants for loss of business, or damage to or depreciation of, and cost of removal of fixtures, personalty and improvements installed in the Leased Premises by, or at the expense of Tenants, and to any other award made by the appropriating authority directly to Tenants.

**Section 5. Release.** In the event of any termination of this Lease as the result of the provisions of this Article XV, the parties, effective as of such termination, shall be released, each to the other, from all liability and obligations thereafter arising under this lease.

## ARTICLE XVI - DEFAULT

**Section 1. LANDLORD'S Remedies.** In the event that:

- a. Tenants shall on three or more occasions be in default in the payment of rent or other charges herein required to be paid by Tenants (default herein being defined as payment received by Landlord ten or more days subsequent to the due date), regardless of whether or not such default has occurred on consecutive or non-consecutive months; or
- b. Tenants has caused a lien to be filed against the Landlord's property and said lien is not removed within thirty (30) days of recordation thereof; or
- c. Tenants shall default in the observance or performance of any of the covenants and agreements required to be performed and observed by Tenants hereunder for a period of thirty (30) days after notice to Tenants in writing of such default (or if such default shall reasonably take more than thirty (30) days to cure, Tenants shall not have commenced the same within the thirty (30) days and diligently prosecuted the same to completion); or



d. Sixty (60) days have elapsed after the commencement of any proceeding by or against Tenants, whether by the filing of a petition or otherwise, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or future Federal Bankruptcy Act or any other present or future applicable federal, state or other statute or law, whereby such proceeding shall not have been dismissed (provided, however, that the non-dismissal of any such proceeding shall not be a default hereunder so long as all of Tenants' covenants and obligations hereunder are being performed by or on behalf of Tenants); then Landlord shall be entitled to its election (unless Tenants shall cure such default prior to such election), to exercise concurrently or successively, any one or more of the following rights:

i. Terminate this Lease by giving Tenants notice of termination, in which event this Lease shall expire and terminate on the date specified in such notice of termination, with the same force and effect as though the date so specified were the date herein originally fixed as the termination date of the term of this Lease, and all rights of Tenants under this Lease and in and to the Premises shall expire and terminate, and Tenants shall remain liable for all obligations under this Lease arising up to the date of such termination, and Tenants shall surrender the Premises to Landlord on the date specified in such notice; or

ii. Terminate this Lease as provided herein and recover from Tenants all damages Landlord may incur by reason of Tenants' default, including, without limitation, a sum which, at the date of such termination, represents the then value of the excess, if any, of (a) the Minimum Rent, Percentage Rent, Taxes and all other sums which would have been payable hereunder by Tenants for the period commencing with the day following the date of such termination and ending with the date herein before set for the expiration of the full term hereby granted, over (b) the aggregate reasonable rental value of the Premises for the same period, all of which excess sum shall be deemed immediately due and payable; or

iii. Without terminating this Lease, declare immediately due and payable all Minimum Rent, Taxes, and other rents and amounts due and coming due under this Lease for the entire remaining term hereof, together with all other amounts previously due, at once; provided, however, that such payment shall not be deemed a penalty or liquidated damages but shall merely constitute payment in advance of rent for the remainder of said term. Upon making such payment, Tenants shall be entitled to receive from Landlord all rents received by Landlord from other assignees, tenants, and subtenants on account of said Premises during the term of this Lease, provided that the monies to which Tenants shall so become entitled shall in no event exceed the entire amount actually paid by Tenants to Landlord pursuant to the preceding sentence less all costs, expenses and attorney's fees of Landlord incurred in connection with the reletting of the Premises; or

iv. Without terminating this Lease, and with or without notice to Tenants, Landlord may in its own name but as agent for Tenants enter into and upon and take possession of the Premises or any part thereof, and, at landlord's option, remove persons and property therefrom, and such property, if any, may be removed and stored in a warehouse or elsewhere at the cost of, and for the account of Tenants, all without being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby, and Landlord may rent the Premises or any

portion thereof as the agent of Tenants with or without advertisement, and by private negotiations and for any term upon such terms and conditions as Landlord may deem necessary or desirable in order to relet the Premises. Landlord shall in no way be responsible or liable for any rental concessions or any failure to rent the Premises or any part thereof, or for any failure to collect any rent due upon such reletting. Upon such reletting, all rentals received by Landlord from such reletting shall be applied: first, to the payment of any indebtedness (other than any rent due hereunder) from Tenants to Landlord; second, to the payment of any costs and expenses of such reletting, including, without limitation, brokerage fees and attorney's fees and costs of alterations and repairs; third, to the payment of rent and other charges then due and unpaid hereunder; and the residue, if any shall be held by Landlord to the extent of and for application in payment of future rent as the same may become due and payable hereunder. In reletting the Premises as aforesaid, Landlord may grant rent concessions and Tenants shall not be credited therefor. If such rentals received from such reletting shall at any time or from time to time be less than sufficient to pay to Landlord the entire sums then due from Tenants hereunder, Tenants shall pay any such deficiency to Landlord. Such deficiency shall, at Landlord's option, be calculated and paid monthly. No such reletting shall be construed as an election by Landlord to terminate this Lease unless a written notice of such election has been given to Tenants by Landlord. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for any such previous default provided same has not been cured; or

v. Without liability to Tenants or any other party and without constituting a constructive or actual eviction, suspend or discontinue furnishing or rendering to Tenants any property, material, labor, Utilities or other service, whether Landlord is obligated to furnish or render the same, so long as Tenants is in default under this Lease; or

vi. Allow the Premises to remain unoccupied and collect rent from Tenants as it comes due; or

vii. Foreclose the security interest described herein, including the immediate taking of possession of all property on or in the Premises; or

viii. Pursue such other remedies as are available at law or equity.

e. Landlord's pursuit of any remedy or remedies, including without limitation, any one or more of the remedies stated herein shall not (1) constitute an election of remedies or preclude pursuit of any other remedy or remedies provided in this Lease or any other remedy or remedies provided by law or in equity, separately or concurrently or in any combination, or (2) sever as the basis for any claim of constructive eviction, or allow Tenants to withhold any payments under this Lease.

**Section 2. LANDLORD'S Self Help.** If in the performance or observance of any agreement or condition in this Lease contained on its part to be performed or observed and shall not cure such default within thirty (30) days after notice from Landlord specifying the default (or if such default shall reasonably take more than thirty (30) days to cure, shall diligently prosecuted the same to completion), Landlord may, at its option, without waiving any claim for damages for breach of agreement, at any time thereafter cure such default for the account of Tenants, and any

amount paid or contractual liability incurred by Landlord in so doing shall be deemed paid or incurred for the account of Tenants and Tenants agrees to reimburse Landlord therefor and save Landlord harmless therefrom. Provided, however, that Landlord may cure any such default as aforesaid prior to the expiration of said waiting period, without notice to Tenants if any emergency situation exists, or after notice to Tenants, if the curing of such default prior to the expiration of said waiting period is reasonably necessary to protect the Leased Premises or Landlord's interest therein, or to prevent injury or damage to persons or property. If Tenants shall fail to reimburse Landlord upon demand for any amount paid for the account of Tenants hereunder, said amount shall be added to and become due as a part of the next payment of rent due and shall for all purposes be deemed and treated as rent hereunder.

**Section 3. TENANTS' Self Help.** If Landlord shall default in the performance or observance of any agreement or condition in this Lease contained on its part to be performed or observed, and if Landlord shall not cure such default within thirty (30) days after notice from Tenants specifying the default (or, if such default shall reasonably take more than thirty (30) days to cure, and Landlord shall not have commenced the same within the thirty (30) days and diligently prosecuted the same to completion), Tenants may, at its option, without waiving any claim for damages for breach of agreement, at any time thereafter cure such default for the account of Landlord and any amount paid or any contractual liability incurred by Tenants in so doing shall be deemed paid or incurred for the account of Landlord and Landlord shall reimburse Tenants therefor and save Tenants harmless therefrom. Provided, however, that Tenants may cure any such default as aforesaid prior to the expiration of said waiting period, without notice to Landlord if an emergency situation exists, or after notice to Landlord, if the curing of such default prior to the expiration of said waiting period is reasonably necessary to protect the Leased Premises or Tenants' interest therein or to prevent injury or damage to persons or property. If Landlord shall fail to reimburse Tenants upon demand for any amount paid or liability incurred for the account of Landlord hereunder, said amount or liability may be deducted by Tenants from the next or any succeeding payments of rent due hereunder; provided, however, that should said amount or the liability therefor be disputed by Landlord, Landlord may contest its liability or the amount thereof, through arbitration or through a declaratory judgment action and Landlord shall bear the cost of the filing fees therefor.

## ARTICLE XVII - TITLE

**Section 1. Subordination.** Tenants shall, upon the request of Landlord in writing, subordinate this Lease to the lien of any present or future institutional mortgage upon the Leased Premises irrespective of the time of execution or the time of recording of any such mortgage. Provided, however, that as a condition to such subordination, the holder of any such mortgage shall enter first into a written agreement with Tenants in form suitable for recording to the effect that:

a. in the event of foreclosure or other action taken under the mortgage by the holder thereof, this Lease and the rights of Tenants hereunder shall not be disturbed but shall continue in full force and effect so long as Tenants shall not be in default hereunder, and

b. such holder shall permit insurance proceeds and condemnation proceeds to be used for any restoration and repair required by the provisions of Articles XIII, XIV or XV, respectively.

Tenants agrees that if the mortgagee or any person claiming under the mortgagee shall succeed to the interest of Landlord in this Lease, Tenants will recognize said mortgagee or person as its Landlord under the terms of this Lease, provided that said mortgagee or person for the period during which said mortgagee or person respectively shall be in possession of the Leased Premises and thereafter their respective successors in interest shall assume all of the obligations of Landlord hereunder. The word "mortgage", as used herein includes mortgages, deeds of trust or other similar instruments, and modifications, and extensions thereof. The term "institutional mortgage" as used in this Article XVII means a mortgage securing a loan from a bank (commercial or savings) or trust company, insurance company or pension trust or any other lender institutional in nature and constituting a lien upon the Leased Premises.

**Section 2. Quiet Enjoyment.** Landlord covenants and agrees that upon Tenants paying the rent and observing and performing all of the terms, covenants and conditions on Tenants' part to be observed and performed hereunder, that Tenants may peaceably and quietly have, hold, occupy and enjoy the Leased Premises in accordance with the terms of this Lease without hindrance or molestation from Landlord or any persons lawfully claiming through Landlord .

**Section 3. Zoning and Good Title.** Landlord warrants and represents, upon which warranty and representation Tenants has relied in the execution of this Lease, that Landlord is the owner of the Leased Premises, in fee simple absolute, free and clear of all encumbrances, except for the easements, covenants and restrictions of record as of the date of this Lease. Such exceptions shall not impede or interfere with the quiet use and enjoyment of the Leased Premises by Tenants. Landlord further warrants and covenants that this Lease is and shall be a first lien on the Leased Premises, subject only to any Mortgage to which this Lease is subordinate or may become subordinate pursuant to an agreement executed by Tenants, and to such encumbrances as shall be caused by the acts or omissions of Tenants; that Landlord has full right and lawful authority to execute this Lease for the term, in the manner, and upon the conditions and provisions herein contained; that there is no legal impediment to the use of the Leased Premises as set out herein; that the Leased Premises are not subject to any easements, restrictions, zoning ordinances or similar governmental regulations which prevent their use as set out herein; that the Leased Premises presently are zoned for the use contemplated herein and throughout the term of this lease may continue to be so used therefor by virtue of said zoning, under the doctrine of "non-conforming use", or valid and binding decision of appropriate authority, except, however, that said representation and warranty by Landlord shall not be applicable in the event that Tenants' act or omission shall invalidate the application of said zoning, the doctrine of "non-conforming use" or the valid and binding decision of the appropriate authority. Landlord shall furnish without expense to Tenants, within thirty (30) days after written request therefor by Tenants, a title report covering the Leased Premises showing the condition of title as of the date of such certificate, provided, however, that Landlord's obligation hereunder shall be limited to the furnishing of only one such title report.

**Section 4. Licenses.** It shall be the Tenants' responsibility to obtain any and all necessary licenses and the Landlord shall bear no responsibility therefor; the Tenants shall promptly notify Landlord of the fact that it has obtained the necessary licenses in order to prevent any delay to Landlord in commencing construction of the Leased Premises.

## ARTICLE XVIII - EXTENSIONS/WAIVERS/DISPUTES

**Section 1. Extension Period.** Any extension hereof shall be subject to the provisions of Article III hereof.

**Section 2. Holding Over.** In the event that Tenants or anyone claiming under Tenants shall continue occupancy of the Leased Premises after the expiration of the term of this Lease or any renewal or extension thereof without any agreement in writing between Landlord and Tenants with respect thereto, such occupancy shall not be deemed to extend or renew the term of the Lease, but such occupancy shall continue as a tenancy at will, from month to month, upon the covenants, provisions and conditions herein contained. The rental shall be the rental in effect during the term of this Lease as extended or renewed, prorated and payable for the period of such occupancy.

**Section 3. Waivers.** Failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by said party of any of its rights hereunder. No waiver by either party at any time, express or implied, of any breach of any provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision. If any action by either party shall require the consent or approval of the other party, the other party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either party may have under this Lease or by operation of law, either at law or in equity, upon any breach, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other, and no one of them, whether exercised by said party or not, shall be deemed to be an exclusion of any other; and any two or more or all of such rights and remedies may be exercised at the same time.

**Section 4. Disputes.** It is agreed that, if at any time a dispute shall arise as to any amount or sum of money to be paid by one party to the other under the provisions hereof, the party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of the said party to institute suit for the recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said party to pay such sum or any part thereof, said party shall be entitled to recover such sum or so much thereof as it was not legally required to pay under the provisions of this Lease. If at any time a dispute shall arise between the parties hereto as to any work to be performed by either of them under the provisions hereof, the party against whom the obligation to perform the work is asserted may perform such work and pay the costs thereof "under protest" and the performance of such work shall in no event be regarded as a voluntary performance and shall survive the right on the part of the said party to institute suit for the recovery of the costs of such work. If it shall be adjudged that there was no legal obligation on the part of the said party to perform the same or any part thereof, said party shall be entitled to recover the costs of such work or the cost of so much thereof as said party was not legally required to perform under the provisions of this Lease and the amount so paid by Tenants may be withheld or deducted by Tenants from any rents herein reserved.

**Section 5. TENANTS' Right to cure LANDLORD'S Default.** In the event that Landlord shall fail, refuse or neglect to pay any mortgages, liens or encumbrances, the judicial sale of which might affect the interest of Tenants hereunder, or shall fail, refuse or neglect to pay any interest due or payable on any such mortgage, lien or encumbrance, Tenants may pay said mortgages, liens or encumbrances, or interest or perform said conditions and charge to Landlord the amount so paid and withhold and deduct from any rents herein reserved such amounts so paid, and any excess over and above the amounts of said rents shall be paid by Landlord to Tenants.

**Section 6. Notices.** All notices and other communications authorized or required hereunder shall be in writing and shall be given by mailing the same by certified mail, return receipt requested, postage prepaid, and any such notice or other communication shall be deemed to have been given when received by the party to whom such notice or other communication shall be addressed. If intended for Landlord the same will be mailed to the address herein above set forth or such other address as Landlord may hereafter designate by notice to Tenants, and if intended for Tenants, the same shall be mailed to Tenants at the address herein above set forth, or such other address or addresses as Tenants may hereafter designate by notice to Landlord.

#### **ARTICLE XIX - PROPERTY DAMAGE**

**Section 1. Loss and Damage.** Notwithstanding any contrary provisions of this Lease, Landlord shall not be responsible for any loss of or damage to property of Tenants or of others located on the Leased Premises, except where caused by the willful act or omission or negligence of Landlord, or Landlord's agents, employees or contractors, provided, however, that if Tenants shall notify Landlord in writing of repairs which are the responsibility of Landlord under Article VII hereof, and Landlord shall fail to commence and diligently prosecute to completion said repairs promptly after such notice, and if after the giving of such notice and the occurrence of such failure, loss of or damage to Tenants' property shall result from the condition as to which Landlord has been notified, Landlord shall indemnify and hold harmless Tenants from any loss, cost or expense arising therefrom.

**Section 2. Force Majeure.** In the event that Landlord or Tenants shall be delayed or hindered in or prevented from the performance of any act other than Tenants' obligation to make payments of rent, additional rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the act, failure to act, or default of the other party, war or other reason beyond its control, then performance of such act shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond control of either party.

#### **ARTICLE XX - MISCELLANEOUS**

**Section 1. Assignment and Subletting.** Under the terms and conditions hereunder, Tenants shall have the absolute right to transfer and assign this lease or to sublet all or any portion of the Leased Premises or to cease operating Tenants' business on the Leased Premises provided that at the time of such assignment or sublease Tenants shall not be in default in the performance and

observance of the obligations imposed upon Tenants hereunder, and in the event that Tenants assigns or sublets this property for an amount in excess of the rental amount then being paid, then Landlord shall require as further consideration for the granting of the right to assign or sublet, a sum equal to fifty (50%) percent of the difference between the amount of rental to be charged by Tenants to Tenants' sublessee or assignee and the amount provided for herein, payable in a manner consistent with the method of payment by the sublessee or assignee to the Tenants, and/or fifty (50%) percent of the consideration paid or to be paid to Tenants by Tenants' sublessee or assignee. Landlord must consent in writing to any such sublessee or assignee, although such consent shall not be unreasonably withheld. The use of the Leased Premises by such assignee or sublessee shall be expressly limited by and to the provisions of this lease.

**Section 2. Fixtures.** All personal property, furnishings and equipment presently and all other trade fixtures installed in or hereafter by or at the expense of Tenants and all additions and/or improvements, exclusive of structural, mechanical, electrical, and plumbing, affixed to the Leased Premises and used in the operation of the Tenants' business made to, in or on the Leased Premises by and at the expense of Tenants and susceptible of being removed from the Leased Premises without damage, unless such damage be repaired by Tenants, shall remain the property of Tenants and Tenants may, but shall not be obligated to, remove the same or any part thereof at any time or times during the term hereof, provided that Tenants, at its sole cost and expense, shall make any repairs occasioned by such removal.

**Section 3. Estoppel Certificates.** At any time and from time to time, Landlord and Tenants each agree, upon request in writing from the other, to execute, acknowledge and deliver to the other or to any person designated by the other a statement in writing certifying that the Lease is unmodified and is in full force and effect, or if there have been modifications, that the same is in full force and effect as modified (stating the modifications), that the other party is not in default in the performance of its covenants hereunder, or if there have been such defaults, specifying the same, and the dates to which the rent and other charges have been paid.

**Section 4. Invalidity of Particular Provision.** If any term or provision of this Lease or the application hereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

**Section 5. Captions and Definitions of Parties.** The captions of the Sections of this Lease are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease. The word "Landlord" and the pronouns referring thereto, shall mean, where the context so admits or requires, the persons, firm or corporation named herein as Landlord or the mortgagee in possession at any time, of the land and building comprising the Leased Premises. If there is more than one Landlord, the covenants of Landlord shall be the joint and several obligations of each of them, and if Landlord is a partnership, the covenants of Landlord shall be the joint and several obligations of each of the partners and the obligations of the firm. Any pronoun shall be read in the singular or plural and in such gender as

the context may require. Except as in this Lease otherwise provided, the terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Nothing contained herein shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of a joint venture between the parties hereto, it being understood and agreed that neither any provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenants.

**Section 6. Brokerage.** No party has acted as, by or through a broker in the effectuation of this Agreement, except as set out hereinafter.

**Section 7. Entire Agreement.** This instrument contains the entire and only agreement between the parties, and no oral statements or representations or prior written matter not contained in this instrument shall have any force and effect. This Lease shall not be modified in any way except by a writing executed by both parties.

**Section 8. Governing Law.** All matters pertaining to this agreement (including its interpretation, application, validity, performance and breach) in whatever jurisdiction action may be brought, shall be governed by, construed and enforced in accordance with the laws of the State of Maine. In the event that litigation results from or arises out of this Agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled. In such event, no action shall be entertained by said court or any court of competent jurisdiction if filed more than one year subsequent to the date the cause(s) of action actually accrued regardless of whether damages were otherwise as of said time calculable.

**Section 9. Contractual Procedures.** Unless specifically disallowed by law, should litigation arise hereunder, service of process therefor may be obtained through certified mail, return receipt requested; the parties hereto waiving any and all rights they may have to object to the method by which service was perfected.

**Section 10. Extraordinary remedies.** To the extent cognizable at law, the parties hereto, in the event of breach and in addition to any and all other remedies available thereto, may obtain injunctive relief, regardless of whether the injured party can demonstrate that no adequate remedy exists at law.

**Section 11. Reliance on Financial Statement.** Tenants shall furnish concurrently with the execution of this lease, a financial statement of Tenants prepared by an accountant. Tenants, both in corporate capacity, if applicable, and individually, hereby represents and warrants that all the information contained therein is complete, true, and correct. Tenants understands that Landlord is relying upon the accuracy of the information contained therein. Should there be found to exist any inaccuracy within the financial statement which adversely affects Tenants' financial standing, or should Tenants' financial circumstances materially change, Landlord may demand,



