

**City of Portland, Maine – Building or Use Permit Application** 389 Congress Street, 04101, Tel: (207) 874-8703, FAX: 874-8716

Location of Construction: 449 Forest Ave		Owner: James Gould, Trustee		Phone:		Permit No: 980512 <b>PERMIT ISSUED</b> MAY 19 1998 <b>CITY OF PORTLAND</b>	
Owner Address: c/o Gould & Assoc. 715 Roylston, St Boston, MA 02116		Lessee/Buyer's Name: Dollar Daze, Inc.		Phone: The Card Outlet			Business Name:
Contractor Name: Dollar Daze, Inc. d/b/a The Card Outlet		Address: Store 771-0301 Home		Phone: 767-7269			Permit Issued:
Past Use:		Proposed Use:		COST OF WORK: \$			PERMIT FEE: \$
				FIRE DEPT. <input type="checkbox"/> Approved <input type="checkbox"/> Denied		INSPECTION: Use Group: Type:	
				Signature:		Signature:	
Proposed Project Description:  Erect Signage				PEDESTRIAN ACTIVITIES DISTRICT (P.A.D.)			Zone: CBL: 111-A-016
				Action: Approved <input type="checkbox"/> Approved with Conditions: <input type="checkbox"/> Denied <input type="checkbox"/>			Zoning Approval:
				Signature: Date:			Special Zone or Reviews: <input type="checkbox"/> Shoreland <input type="checkbox"/> Wetland <input type="checkbox"/> Flood Zone <input type="checkbox"/> Subdivision <input type="checkbox"/> Site Plan maj <input type="checkbox"/> minor <input type="checkbox"/> mm <input type="checkbox"/>
Permit Taken By: Mike Nugent		Date Applied For: 15 May 1998				Zoning Appeal <input type="checkbox"/> Variance <input type="checkbox"/> Miscellaneous <input type="checkbox"/> Conditional Use <input type="checkbox"/> Interpretation <input type="checkbox"/> Approved <input type="checkbox"/> Denied	

1. This permit application does not preclude the Applicant(s) from meeting applicable State and Federal rules.
2. Building permits do not include plumbing, septic or electrical work.
3. Building permits are void if work is not started within six (6) months of the date of issuance. False information may invalidate a building permit and stop all work..

**CERTIFICATION**

I hereby certify that I am the owner of record of the named property, or that the proposed work is authorized by the owner of record and that I have been authorized by the owner to make this application as his authorized agent and I agree to conform to all applicable laws of this jurisdiction. In addition, if a permit for work described in the application is issued, I certify that the code official's authorized representative shall have the authority to enter all areas covered by such permit at any reasonable hour to enforce the provisions of the code(s) applicable to such permit

18 May 1998

SIGNATURE OF APPLICANT ADDRESS: DATE: PHONE:

RESPONSIBLE PERSON IN CHARGE OF WORK, TITLE PHONE:

White-Permit Desk Green-Assessor's Canary-D.P.W. Pink-Public File Ivory Card-Inspector

CEO DISTRICT



COMMENTS

5-20-98 (2) Fire Ext. are in place  
OK on Sign.

will open 5-21-98 Per owner

	Type	Inspection Record	Date
Foundation:	_____	_____	_____
Framing:	_____	_____	_____
Plumbing:	_____	_____	_____
Final:	5-20-98	OK	_____
Other:	_____	_____	_____

SIGNAGE PRE-APPLICATION

PLEASE ANSWER ALL QUESTIONS

ADDRESS: FOREST AVENUE PLAZA  
449 FOREST AVE., PORTLAND, ME 04101 ZONE: COMMERCIAL / B2

OWNER: JAMES GOULD, TRUSTEE OF NEW CITY TRUST II  
c/o GOULD & ASSOCIATES, 715 BOYLSTON ST., BOSTON, MA 02116

APPLICANT: DOLLAR DAZE, INC. d/b/a THE CARD OUTLET

ASSESSOR NO. ~~NOT AVAILABLE~~ 111/A/16

SINGLE TENANT LOT? YES  NO

MULTI TENANT LOT? YES  NO

FREESTANDING SIGN? YES  NO  DIMENSIONS 8" x 63"

(ex. pole sign. . . ) PYLON SIGNS, TWO OF THEM BACK-TO-BACK

MORE THAN ONE SIGN? YES  NO  DIMENSIONS \_\_\_\_\_

BLDG. WALL SIGN? YES  NO  DIMENSIONS 30" x 168"

(attached to bldg)

MORE THAN ONE SIGN? YES  NO  DIMENSIONS 34" x 92"

LIST ALL EXISTING SIGNAGE AND THEIR DIMENSIONS: \_\_\_\_\_

THE ABOVE SIGNS REPLACE ALL EXISTING SIGNAGE WITH  
SAME DIMENSIONS;  
THERE IS NO NEW  
SIGNAGE.

LOT FRONTAGE (FEET): 100'

BLDG FRONTAGE (FEET): 1000'

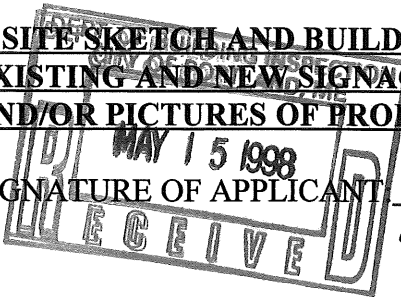
AWNING YES  NO  IS AWNING BACKLIT? YES  NO

HEIGHT OF AWNING: NOT APPLICABLE

IS THERE ANY COMMUNICATION, MESSAGE, TRADEMARK OR SYMBOL ON IT? N/A

**A SITE SKETCH AND BUILDING SKETCH SHOWING EXACTLY WHERE EXISTING AND NEW SIGNAGE IS LOCATED MUST BE PROVIDED. SKETCHES AND/OR PICTURES OF PROPOSED ARE ALSO REQUIRED.**

SIGNATURE OF APPLICANT Milaa Zavodni-Sjoquist, DATE: 5/15/98  
PRESIDENT for DOLLAR DAZE, INC. d/b/a  
THE CARD OUTLET  
STORE TEL# 771-0301  
HOME OFFICE TEL# 767-7269



# FEE FOR SIGN PERMIT

@ THE CARD OUTLET,  
FOREST AVENUE PLAZA,  
449 FOREST AVE., PORTLAND, ME 04101

<u>TYPE OF SIGN</u>	<u>QUANTITY</u>	<u>DIMENSIONS</u>	<u>TOTAL</u>
I FREESTANDING: PYLON SIGN . . . . .	2	8" X 63" = 3.5 <sup>sq</sup> '	7 <sup>sq</sup> ' <del>OK</del>
II BLDG. WALL SIGN . . . . .	1	30" X 168" = 35 <sup>sq</sup> '	35 <sup>sq</sup> '
III BLDG WALL SIGN . . . . .	1	34" X 92" = 22 <sup>sq</sup> '	22 <sup>sq</sup> '
			<hr/>
			Σ 64 <sup>sq</sup> '
			<i>OK</i>

$$\$25.00 + 20¢/\text{sq FT} = \$25 + (.20 \times 64) =$$

$$\$25.00 + \$12.80 = \underline{\underline{\$37.80 \text{ DUE}}}$$

ALL ON PC.

(42)

92"

THE CARD OUTLET

50% OFF GREETING CARDS,  
GIFTS, AND MORE

34"

22 1/2"

WOOD SIGN 2 SIDED

VINYL NET ART & CRAFT.

651 NO 54 TORQ 24" X 10 YD.  
CALL MOM FOR DEL. ASK FOR ROBERT,

(X)

168"

304

# THE CARD OUTLET

50% OFF GREETING CARDS, GIFTS, AND MORE

POLYCARB STORE FRONT BACKLIGHT,  
TO BE APPLIED AT STORE

TRANSLUCENT TERQ

35"

(X2)

63"

8"

THE CARD OUTLET

POLYCARB MATQ SIGN

NOT TRANSLUCENT.

PANELS IN SHOP

$$(3.5 \text{ ft}) (2) = 7 \text{ ft}$$

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

CSR RD  
DOLLA-1

DATE (MM/DD/YY)  
05/14/98

**PRODUCER**

Brooks Insurance Agency, Inc.  
P. O. Box 307  
Portland ME 04112

Rolande Y. Doucette  
Phone No. 207-774-1419 Fax No.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**COMPANIES AFFORDING COVERAGE**

COMPANY A Peerless Insurance Co

COMPANY B

COMPANY C

COMPANY D

**INSURED**

DOLLAR DAZE, INC. DBA  
THE CARD OUTLET  
427 Old Ocean House Road  
Cape Elizabeth ME 04107

**COVERAGES**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	BOP9035189	12/10/97	12/10/98	GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000,000
					FIRE DAMAGE (Any one fire) \$ 50,000
					MED EXP (Any one person) \$ 5,000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT \$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:
					EACH ACCIDENT \$
					AGGREGATE \$
A	EXCESS LIABILITY	CU9040451	12/10/97	12/10/98	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> UMBRELLA FORM				AGGREGATE \$ 1,000,000
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC9206880	12/31/97	12/31/98	WC STATUTORY LIMITS OTH-ER
	<input type="checkbox"/> INCL <input type="checkbox"/> EXCL				EL EACH ACCIDENT \$ 500,000
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE:				EL DISEASE - POLICY LIMIT \$ 500,000
					EL DISEASE - EA EMPLOYEE \$ 500,000
	OTHER				

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**

CERTIFICATE HOLDER IS AN ADDITIONAL INSURED AS RESPECTS TO A SIGN AT COVERED LOCATION: FOREST AVE PLAZA, 449 FOREST AVE., PORTLAND, ME. 04101

**CERTIFICATE HOLDER**

PORTLAN

CITY OF PORTLAND  
389 CONGRESS STREET  
PORTLAND ME 04101

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  
*Rolande Y. Doucette*  
Rolande Y. Doucette



INDENTURE OF LEASE

This indenture of Lease made and entered into this 22 day of February, 1998 by and between JAMES GOULD, TRUSTEE OF NEW CITY TRUST II, c/o Gould & Associates, whose address is 715 Boylston Street, Boston, Massachusetts 02116 (hereinafter referred to as "Landlord") and DOLLAR DAZE, INC., a Maine corporation with a principal office at 427 Old Ocean House Road, Cape Elizabeth, Maine (hereinafter referred to as "Tenant").

WITNESSETH THAT

ARTICLE I. Leased Premises. The Landlord, their heirs and assigns, for and in consideration of the covenants and agreements herein mentioned to be kept and performed by the Tenant, has the authority to demise and lease and does demise and lease to the Tenant the following described premises which they lawfully have the right to lease situated in the City of Portland, in the County of Cumberland and State of Maine, more particularly bounded and described as follows:

Consisting of approximately 2,400 of gross square footage on the street floor in the building known as Forest Avenue Plaza at 449 Forest Avenue, Portland, Maine, (currently the existing Signery space).

Tenant shall have the right to use in common with others entitled thereto, the parking and loading areas, access ways, entrances and all other common areas, if any, which are part of the Shopping Center and from time to time made available by Landlord.

ARTICLE II. Term. Landlord hereby leases and lets to Tenant and Tenant leases and rents from Landlord the premises herein described for an initial term of five (5) years and one (1) month commencing no later than April 1, 1998 and terminating five (5) years and one (1) month from the time of commencement (April 30, 2003), unless sooner terminated in accordance herewith.

ARTICLE III. Rent and Additional Rent.

(a) Tenant agrees to pay the Landlord as Fixed Minimum Rent, which shall be increased by Additional Rent, at such place as shall be designated by Landlord, without any prior demand therefor and without any defense, abatement, deduction or set-off for any reason whatsoever, except as may be expressly provided in this Lease, the following sums:

(i) Tenant shall pay to Landlord rental during the first year term hereby created at the base rate of Eight Dollars per rentable square foot for a total annual rent of Nineteen Thousand Two Hundred Dollars, payable in equal monthly installments of One Thousand Six Hundred Dollars (\$1,600.00) each, payable monthly in advance on the first day of every month commencing May 1, 1998, with the May payment being made at the time of the execution of this Lease.

(ii) Tenant shall pay to Landlord rental during years two (2) and three (3) a base rate of Eight Dollars and Fifty Cents per rentable square foot for a total annual rent of Twenty Thousand Four Hundred Dollars, payable in equal monthly installments of One Thousand Seven Hundred Dollars (\$1,700.00) each, commencing on May 1, 1999.

9. 6

(iii) Tenant shall pay to Landlord rental during year four (4) and five (5) a base rate of Nine Dollars per rentable square foot for a total annual rent of Twenty-one Thousand Six Hundred Dollars (\$21,600.00) payable in equal monthly installments of One Thousand Eight Hundred Dollars (\$1,800.00) each, commencing on May 1, 2001.

(b) Tenant agrees to pay to Landlord, as Additional Rent, its pro rata share of the following amounts:

(i) any real estate taxes or taxes in lieu thereof or in addition thereto imposed by the City of Portland or other taxing authority on Landlord's premises at 449 Forest Avenue Plaza;

(ii) amounts paid by Landlord for fire and extended coverage and liability insurance premiums on insurance covering said buildings (including common areas); and

(iii) amounts paid by the Landlord for janitorial services, management, maintenance and all other costs associated with the operation of the property.

(iv) The payment and further terms of the additional rent are outlined below in Article IV.

ARTICLE IV. Additional Rent. Tenant shall pay as Additional Rent all sums of money or charges required to be paid by Tenant under this Lease, whether or not the same be designated "Additional Rent", in monthly installments equal to 1/12 of the yearly Additional Rent in advance on the first day of every month. If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless, if not paid when due, be collectible as rent, under Article XIX of this Lease, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder, or limit any other remedy of Landlord.

Within sixty (60) days of the end of each calendar year commencing in 1999, Landlord shall provide to Tenant an accounting of the Additional Rent charges and credit the Tenant's account accordingly.

ARTICLE V. Option to Renew; Notice and Terms. Tenant shall have the option to renew this Lease for one (1) additional term of five (5) years, on the same terms and conditions of this Lease, except for Rent as hereinafter provided. If said option renewal is exercised by Tenant, it will commence immediately upon the expiration of the preceding term. Tenant shall not be in default of lease terms when exercising a renewal of option.

In the event Tenant does desire to exercise its option to renew this Lease, Tenant shall give Landlord at least six (6) months notice in writing of its desire to renew prior to the expiration of the original term of this lease and unless said notice of Tenant's intent to renew is received, said lease shall terminate at the end of said term.

The base rate for the extension period shall be renegotiated by the parties at the time of Notice by the Tenant. In the event Tenant notifies Landlord it intends to exercise the option period and the parties cannot agree to a base rent within sixty (60) days from said notification, then this option to renew shall be void and of no further force or effect.

ARTICLE VI. Security Deposit. Tenant has paid to Landlord the sum of One Thousand Six Hundred (\$1,600.00) Dollars which may be held by Landlord throughout the term of this Lease

without interest as a security deposit for the full and faithful performance of all of Tenant's obligations hereunder. Landlord shall have the right to apply any part or the whole of said deposit to the curing of any default that may exist without prejudice to any other remedy which Landlord may have on account thereof. Landlord shall have the right to combine the security deposit with other funds. If Tenant shall have fully and promptly complied with all of the terms and conditions of this Lease, including leaving the premises in good repair ("broom clean") then at the termination hereof, the deposit shall be returned to Tenant.

ARTICLE VII. Utilities. Tenant shall pay for all utilities consumed or used by it on the premises, including but not limited to, electricity for heating, cooling, ventilating, lights and plugs, water, sewer and telephone. The unit will be separately metered for all utilities, however, if to the extent that the unit is not separately metered, utilities will be paid by Tenant on a pro rata basis.

ARTICLE VIII. Repairs and Maintenance. Tenant will keep the demised premises and all pipes, wires, glass, plumbing and other equipment and fixtures therein or used therewith repaired, whole and of the same kind, quality and description and in such good repair, order and condition as the same are at the beginning of, or may be put in during the term, reasonable wear and tear and damage by fire or unavoidable casualty only excepted, the Tenant acknowledging that the aforesaid are now in good repair, order and condition; Tenant will from time to time, at Tenant's expense, make such repairs, replacements, improvements, alterations and additions in and to the demised premises which may become necessary or which may be required of the Tenant or the Landlord by any Federal, State and Municipal Building Codes or ordinances applicable to the demised premises or to the use occupation or maintenance of the same so that the demised premises shall conform thereto and be used, occupied and maintained in conformity therewith, and if the Tenant shall fail to do so the Landlord may take such action as may be required and the Tenant shall reimburse the Landlord upon demand for the cost thereof; Tenant will keep the drains and plumbing fixtures clear and open; Tenant will keep the sidewalks and passageways adjacent thereto free of snow, ice, rubbish containers, boxes and crates; Tenant will make all necessary interior repairs beyond normal wear and tear resulting from its use of the premises; Tenant will provide its own janitorial service, and keep the premises clean at all times, including removal of trash and rubbish; and Tenant must at the expiration of the term or any renewal or extension thereof, quit and surrender said demised premises in as good order and condition as they were received, with reasonable wear and tear excepted.

ARTICLE IX. Auction Sales, Noise, Odor, etc. Tenant will not hold or permit any auction sale on the demised premises or cause or permit the emission of any noise or odor from the demised premises or any sound caused by the operation of any voice amplification or other instrument, apparatus or equipment therein.

ARTICLE X. Signs, Fixtures, Alterations. (a) Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, signs, floor coverings or lighting or plumbing fixtures without first obtaining written consent of the Landlord, whose permission will not be unreasonably withheld. Tenant must also obtain any and all necessary permits. Any signs approved by the Landlord shall be erected and maintained by the Tenant at its expense and responsibility in full compliance with all laws, ordinances and regulations of the City of Portland and Board of Fire Underwriters applicable thereto; Tenant shall be allowed to have signage above their individual store front and upon the shopping center's pylon, if the space is available and the signs are approved by the Landlord; (b) If at the expiration or other termination of this Lease, Tenant fails to remove such signs, fixtures, alterations, additions and improvements (except as otherwise provided above) and to restore the leased premises, then upon

the expiration or other termination of this Lease and upon Tenant's removal from the leased premises, all said signs, fixtures, alterations, additions and improvements shall, at the option of the Landlord, become the property of the Landlord or Landlord may remove and store, if appropriate, the same or any part thereof at Tenant's sole cost and expense; and (c) Tenant shall promptly pay all contractors and materialman for which it is responsible, so as to minimize the possibility of a lien attaching to the leased premises and should any lien be made or filed, Tenant shall bond against or discharge the same within ten (10) days after written request by Landlord.

ARTICLE XI. Landlord's Responsibilities. Landlord has agreed to provide and install the following finishes for the Tenant, at Landlord's sole cost and expense, except as noted below: See attached Exhibit B

Landlord shall provide an adequate heating, ventilation and air conditioning system, that will be adequate in size to maintain temperatures in the 69 to 72 degree comfort range year-round. Tenant shall be responsible for the care and up-keep of this HVAC system during the term of this lease.

Landlord will maintain all structural components of the building throughout the term of the lease and make major repairs of the HVAC system.

ARTICLE XII. Access of Landlord. Landlord and its representatives may enter the leased property at any reasonable time, for the purpose of inspecting the leased property, performing any work which the Landlord elects to undertake made necessary by reason of Tenant's fault or under Landlord's obligations. Landlord shall not unduly interfere with the Tenant's use of the Leased premises nor the conduct of the Tenant's business thereon. During the last six (6) months of the term hereof, Landlord shall have the right to show the leased premises to prospective tenants.

ARTICLE XIII. Assignment and Subletting. Tenant shall not assign, mortgage, pledge or encumber this lease without written consent of Landlord. Tenant shall not sublet the premise without the Landlord's written consent, which shall not be unreasonably withheld. In the event of a sublet, the Tenant and Subtenant shall remain jointly liable for Tenant's covenants under this Lease.

ARTICLE XIV. Insurance and Indemnity. Tenant shall maintain, at its expense, insurance protection, including fire and extended coverage casualty insurance for its own personal property and its leasehold improvements, and also adequate Workmen's Compensation insurance. Tenant shall at all times maintain insurance against claims for personal injury and property damage, under a policy of general public liability insurance naming Landlord as insured as its interest may appear, with such limits as may reasonably be requested by the Landlord from time to time, but not less than One Million Dollars (\$1,000,000) per accident, which shall include coverage for death or injury to persons or property occurring on or about the demised premises. Additionally any such insurance shall include licensees, invitees, guests, patrons, agents, servants, or employees. Tenant shall provide Landlord, at Landlord's request, proof of compliance for the provisions of this paragraph. Furthermore, the policy shall contain a provision that such insurance may not be changed or cancelled without Lessor first receiving at least ten (10) days prior written notice. Tenant shall do or keep nothing, nor allow anything to be done or kept, on or about the demised premises which may be denominated extra hazardous as to insurance by fire insurance companies or which may increase Landlord's fire insurance rates or which may cause any of Landlord's insurance to be adversely affected, and in any such event Tenant shall be

responsible to pay Landlord for any such increase of insurance premiums caused by Tenant's actions or desist and remove any such conditions, if not insurable.

Tenant further covenants and agrees with the Landlord that (a) all property of any kind that may be on said premises shall be at the sole risk of the Tenant; (b) Landlord shall not be liable to the Tenant or to any other person for any injury, loss or damage to any person or property on or about the demised premises or the building of which the demised premises are a part or the approaches or sidewalks appurtenant or adjacent thereto; (c) Tenant will save the Landlord as owner of the demised premises or as owner, agent or otherwise of any other premises, harmless and indemnified from and against all loss or damage occasioned by the use or misuse or abuse of water or of the plumbing, heating, elevators or other apparatus, electric, gas or other fixtures, trap doors, bulkheads, or covers or by the bursting or leaking of any pipes occasioned by any nuisance made or suffered on the demised premises or elsewhere; Tenant will save the Landlord harmless and indemnified from and against any claim or damage on account of any injury to person or property occurring on or about the demised premises or the approaches or sidewalks appurtenant or adjacent thereto, or any elevators or other appurtenances used in connection therewith however caused, and from and against any and all loss, damage or liability arising from any omission, neglect or default of the Tenant, except as herein provided; (e) Tenant will reimburse Landlord for the amount paid or payable to satisfy any mechanics' or materialmen's or other liens standing against the demised premises; and (f) Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow, or leaks from any part of said building or from the roof, street or subsurface or from any other cause of whatsoever nature; nor shall Landlord be liable for any such damage caused by other tenants or persons in the building or caused by operations in construction of any public or quasi-public work; nor shall Landlord be liable for any latent defect in the leased premises or in the shopping center of which they form a part.

The Landlord does hereby release the Tenant of liability with respect to any destruction or damage caused by the fault or negligence of Tenant or its agents, servants or employees, to the extent that the Landlord's insurance actually in force at the time of any destruction or damage covers the loss incurred and permits such release; it being specifically understood and agreed that such release is not and shall not be effective to the extent that it is not permitted by the terms of any policy or policies in force when the destruction or damage occurs, and shall not be effective as to the amount of any destruction or damage which is so caused in excess of the amount recoverable by the Landlord under insurance policies in force when the destruction or damage occurs.

The Tenant does hereby release the Landlord of liability with respect to any destruction or damage caused by the fault or negligence of Landlord or its agents, servants or employees, to the extent that the Tenant's insurance actually in force at the time of any destruction or damage covers the loss incurred and permits such release; it being specifically understood and agreed that such release is not and shall not be effective to the extent that it is not permitted by the terms of any policy or policies in force when the destruction or damage occurs, and shall not be effective as to the amount of any destruction or damage which is so caused in excess of the amount recoverable by the Tenant under insurance policies in force when the destruction or damage occurs.

ARTICLE XV. Conduct of Business by Tenant. Tenant covenants and agrees that it will utilize the demised premises for the sale of cards or gifts or other related items typically sold in a card and gift store. Tenant may not change the use of the premises without written consent of the Landlord.

am 3-8

ARTICLE XVI. Stock and Fixtures. Tenant agrees to pay all taxes, insurance premiums and all other charges against the stock and fixtures and all other personal property on the premises belonging to the Tenant during the term of this lease or any renewal or extension thereof.

ARTICLE XVII. Governmental Regulations. Tenant shall faithfully observe in the use of the leased premises all municipal and county ordinances and state and federal statutes, rules and regulations now in force or which may hereafter be in force.

ARTICLE XVIII. Fire, Casualty or Eminent Domain. If the demised premises or the building in which the demised premises are located during the terms of this Lease be so destroyed or damaged by fire or other casualty as to render the demised premises or any portions thereof unfit for use, then the rent hereinbefore reserved, or a fair and just proportion thereof, according to the nature and extent of the damage sustained shall be suspended or abated until the demised premises shall have been rebuilt and put in substantially the same or similar condition by the Landlord as said demised premises were immediately prior to such damage or destruction; or these premises may if at least 33 1/3% of the building of which the premises are a part was damaged or destroyed, at the election of either party, upon written notice to be given within thirty (30) days after such damage or destruction, be terminated and ended. If the Landlord shall be obliged by law or order of any public authority to make any changes, alteration or addition to any part of said building, shopping center or appurtenances requiring an expenditure deemed by the Landlord to be imprudent, after the execution hereof and before the expiration of said term, then this lease and the said lease shall terminate at the election of the Landlord, and such election shall be mad in the case of any such taking. There shall be no abatement of rent if the damage or destruction to the demised premises is caused by the Tenant, its agents, employees or invitees, if the Landlord elects to restore and repair such damage and destruction, Landlord shall proceed immediately to restore and repair such damage and destruction. Landlord represents and warrants that it will not reduce the amount of fire and casualty insurance on the building of which the premises is a part during the term of this Lease.

If any portion of the demised premises shall be condemned for any public use by any legally constituted authority, then in such event as to said portion of the demised premises, this Lease shall terminate from the time when possession is taken of such public authority and the rents herein reserved for said portion of the demised premises shall be abated as of the date of the surrender of possession. Landlord reserves to itself, and Tenant assigns to Landlord, all its rights to damages and awards accruing on account of any taking by eminent domain or by reason of any act of any public authority for which damages or assignment as may be reasonably required by Landlord in any petition for the recovery of such damages or awards, if requested by Landlord, and to turn over to Landlord any damages or awards that may be recovered in any such proceeding. It is agreed, however, that Landlord does not reserve to itself, and Tenant does not assign to Landlord, any damages or awards payable for goodwill, losses of business, Tenant's interest in this Lease, trade fixtures or leasehold improvements installed by Tenant, at its own cost and expense, and any damages for moving expenses awarded separately to Tenant.

ARTICLE XIX. Default of the Tenant. In the event of any failure of the Tenant to pay any rental due hereunder on or before the fifth day following the date on which such is due hereunder, or fail to perform or observe any of the covenants, terms, provisions or conditions contained in this Lease on its part to be performed or observed by Tenant if Tenant has not cured such failure within ten days after receipt of written notice of such default, or if the estate hereby created shall be taken on execution or by other process of law, or if the Tenant shall be declared bankrupt or insolvent according to law, or creditors, or if a receiver, trustee in involuntary

bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of the Tenant's property by a court of competent jurisdiction, or a petition shall be filed for the reorganization of Tenant under any provisions of the Bankruptcy Code now or hereafter enacted, and such proceeding is not dismissed within sixty (60) days after it is begun, or if the Tenant shall file a petition for such reorganization, or for arrangements under any provisions of the Bankruptcy Code now or hereafter enacted and propose therein a plan to settle, satisfy or extend the time for the payment of debts, then, and in any of the said cases, Landlord lawfully may, immediately, or at any time thereafter, and without demand or notice, proceed with any and all legal remedies available to the Landlord to terminate the tenancy; and the Tenant covenants and agrees, not withstanding any entry or re-entry by the Landlord, whether by summary proceedings, termination or otherwise, to pay and be liable for on the days originally fixed herein for the payment thereof, amounts equal to the several installments of rent and other charges reserved under the terms of this Lease, and due as if this Lease has not been terminated or if the Landlord had not entered or re-entered, as aforesaid, and whether the demised premises be relet or remain vacant in whole or in part or for a period less than the remainder of the term, or for the whole thereof, but in the event the demised premises be relet by the Landlord, the Tenant shall be entitled to a credit in the net amount of rent received by the Landlord in reletting after deduction of all reasonable expenses incurred in reletting the demised premises (including, without limitation, attorney's fees, brokerage fees, costs of remodeling and the like), and in collecting the rent in connection therewith. In the event of Tenant's default, Landlord shall use reasonable efforts to relet the demised premises with a view towards mitigating Tenant's damages.

ARTICLE XX. Exclusive Rights of Tenant. Landlord agrees not to place future tenants in the retail center whose primary business is operating a general variety store including but not limited to a Card and Gift Store.

ARTICLE XXI. Quiet Enjoyment. Tenant, upon paying the basic rent, any additional rent and all other charges herein provided for, and performing all other terms of this lease, shall quietly have and enjoy the leased property during the term of this lease without hindrance or molestation by anyone claiming by, through or under the Landlord, subject, however, to the reservation and conditions of this lease and to any mortgage to which this lease is or may become subordinate.

ARTICLE XXII. Off-set Statement and Subordination.

(a) Within ten (10) days after a request therefor by Landlord, or in the event that upon any sale, assignment or hypothecation of the leased premises and/or the land thereunder by the Landlord, an off-set statement shall be required from Tenant, Tenant agrees to deliver a certificate to any proposed mortgagee or purchaser, or to Landlord, certifying (if so be the case) that this Lease is in full force and effect and that there are no defenses or off-sets thereto, or stating those claimed by Tenant.

(b) Both parties agree to execute and deliver all such instruments as may be appropriate to subordinate this Lease to any bonafide financial or institutional lending institution, any mortgages or deeds of trust concerning the demised premises, and to all renewals, replacements and extensions thereof, which are disclosed to Tenant, and to execute and deliver without charge any instrument that may be necessary to effectuate such subordination.

(c) Tenant agrees to execute and deliver, or to be caused to be executed and delivered from time to time, to Landlord any and instruments, documents or papers, including, without

limitation, an estoppel certificate or a certificate of corporate resolutions, necessary to effectuate the purposes of this Lease.

ARTICLE XXIII. Brokers. Tenant warrants and represents to Landlord that Tenant has dealt with no broker except with The Dancoes Co. with a mailing address of P.O. Box 2430, South Portland, Maine 04116 with respect to this Lease or the demised premises. Tenant covenants and agrees to indemnify Landlord against any brokerage claims by other third persons claiming to have dealt with Tenant or to have brought the demised premises to attention of Tenant, and in furtherance thereof, at Landlord's request, to enter and defend, in Landlord's name and behalf, any action or proceeding commenced against Landlord or to establish any such brokerage claim. The indemnification hereunder shall include Landlord's reasonable attorney's fees in resisting any such brokerage claim.

ARTICLE XXIV. Successors. All rights and liabilities herein given to, imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors and assigns of said parties. No rights, however, shall inure to the benefit of any assignee of Tenant. If more than one party executes this Lease as Tenant, the liability of such parties hereunder shall be joint and several.

ARTICLE XXV. Holdover. If the Tenant shall remain in possession of the leased premises after the expiration of the term of this Lease, such possession shall be as a month-to-month tenant. During such month-to-month tenancy, the provisions of this Lease, including the rental provisions, shall be applicable. Landlord or Tenant shall terminate any such month-to-month tenancy by giving to the other thirty (30) days prior written notice.

ARTICLE XXVI. Waiver. The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same, or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted.

ARTICLE XXVII. Notice. Any notice from one party to the other hereunder shall be in writing and shall be deemed to be duly given when sent by certified or registered mail addressed to the respective addresses below set forth:

Landlord: James Gould, Trustee of New City Trust II,  
c/o Gould & Associates  
715 Boylston Street,  
Boston, Massachusetts 02116

Tenant: Dollar Daze, Inc.  
d/b/a The Card Outlet  
427 Old Ocean House Road  
Cape Elizabeth, Maine 04107

Landlord and Tenant may change said addresses by certified mailing notice of the change at least ten (10) days previous to said change to the other party.



ARTICLE XXVIII. Severance. If any provision of this Lease or the application thereof to any person or circumstances shall be to any extent invalid or unenforceable, the remainder of this Lease and the application to persons or circumstances other than those to which it is 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.

ARTICLE XXIX. Entire Agreement. This Lease contains the entire agreement of the parties and no representations, inducements, promises or agreements, oral or otherwise between the parties not embodied herein shall be of any force or effect.

ARTICLE XXX. Definitions. Each and every provision of this lease shall bind and shall inure to the benefit of the parties hereto and their legal representatives. The term "legal representatives" as used herein, shall include person, partnership, corporation or association succeeding to the interest or to any part of the interest in or to this lease, or in or to the leased premises of either the Landlord or Tenant herein, however such succession resorts.

The words "Tenant" and "Landlord" and the pronouns referring thereto, shall mean where the context so admits or requires, the persons, firm or corporation named herein, and if there is more than one Tenant, the covenants of Tenant shall be the joint and several obligations of each of them, and if Tenant is a partnership, the covenants of Tenant shall be the joint and several obligations of each of the partners and obligations of the firm. Any pronoun shall be read in the singular or plural number and in such gender as the context may require. Except as hereinafter otherwise provided, the terms and provisions of this lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns, respectively, of Landlord and Tenant.

ARTICLE XXXI. Memorandum of Lease. Both parties agree that they will not record this Lease. Either party upon request of the other shall execute and deliver to said requesting party, a short form of this Lease, a Memorandum of Lease, suitable for recording.

IN WITNESS WHEREOF, the parties have hereunto interchangeably set their hands on the day and year first above written.

NEW CITY TRUST II

Lucas McVally  
WITNESS

By: James Gould  
James Gould, Its Trustee

DOLLAR DAZE, INC.

Michael C. Zavodni-Sj-guier  
WITNESS

By: Michael C. Zavodni-Sj-guier  
Its PRESIDENT

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