

Date:

Landlord: East End Corp.

Tenant: Proper Cup LLC

**Description of Space: 1435 square feet of space at 500 Forest Ave,
Portland, Maine 04101**

Term of Lease: The term starts on November 1, 2017 and ends on October 31, 2021. Tenant may terminate the term on April 30, 2021 by delivering to Landlord written notice of its election to terminate no later than November 1, 2020, together with a termination fee of \$1,000.

Tenant shall have the right to renew this Lease for two (2) additional five (5) year terms by delivering written notice of renewal to Landlord no later than six (6) months prior to the end of the then-current term.

The rent for each renewal term shall be at a 3% increase of the rent for the immediately preceding lease year, and shall be increased 3% each of year of each renewal term.

Initial Rent: Rent will be \$2,212.29 per month and will be due on the first of each month. All rental payments are to be made to via ACH deposit at eastendcorp.com.

Notice to and from Landlord and Tenant: Notice may be hand delivered or mailed by Receipted Delivery to the following locations:

Landlord: East End Corp.

P.O. Box 10291

Portland, Maine 04104

Tenant: 500 Forest Avenue

Portland, Maine 04101

Annual Increase: Each year, on the anniversary date of the lease term, the Tenant's monthly rent shall be increased by 3%.

Late Fee: In the event the Tenant's rent is received more than 5 days past the first of the month in which it is due, there shall be a late fee, payable to the Landlord, equal to 5% of the balance due. This fee may be assessed each month on the outstanding balance.

Security Deposit: The Tenant shall deposit with the Landlord \$2,212.29 at the signing of the lease. The deposit may be used, at the Landlord's sole

discretion, to cure any default by the tenant, including costs for damages to the premises, cleaning, late fees, or any other expense incurred by the Landlord on behalf of the Tenant. The deposit, or remainder thereof after any deductions, shall be refunded within 30 days of vacating the premises. The Landlord is not required to use the Security Deposit to cure any default. The Landlord shall accompany the refund with an itemized list of the deductions, if any.

Responsibility for the repair and maintenance of the following items:

The Landlord and Tenant agree that they are responsible for the following items, **wholly and completely** within the leased space as indicated. (**L**= Landlord and **T**= Tenant).

- a. Plumbing **L**
- b. Heating **L**
- c. Air Conditioning **L**
- d. Electrical **L**
- e. Interior surfaces, ceilings, walls, floors, and flooring **T**
- f. bulbs and ballasts **T**

Landlord's Obligations: The Landlord shall maintain the common areas in a neat and orderly manner; provide heat, during the appropriate season, and hot and cold water to the restroom. In the event of a failure to provide any of the above, the Landlord shall have a reasonable time to cure or restore the same. The Landlord shall maintain adequate fire and extended coverage on the premises at its own expense. Should any fire or damage occur that leaves the tenants space un-tenantable, and it is the responsibility of the Landlord to repair, the Landlord shall do so as prudently possible. If the Landlord determines that the damage leaves the leased space un-tenantable, and it cannot be made tenantable within a reasonable period of time, either party may terminate the lease following a determination of the damage by the Landlord. The Landlord shall be responsible for providing the following utilities at the building: water and sewer, gas if used for heating, fuel if used for heating. The space is separately metered for electricity and electric service shall be placed in the name of the Tenant whose payment thereof is the responsibility of the Tenant.

Tenant's and Tenant's guests Obligations. The Tenant shall be responsible for the acts and omissions to act of it self, its employees, contractors, licensees, agents and guests for all of the following enumerated items: maintaining the leased space in a clean and orderly manner, regularly

clean the leased space and remove all office trash to the container provided by the landlord (specifically prohibited from the trash container is furniture, office equipment, large items and hazardous materials. All of which tenant must remove at Tenant's sole expense.), refrain from doing anything unlawful on the premises, or creating a nuisance or interfere with the rights, comforts, or conveniences of the other tenants or use the premises for any purpose, which shall violate any insurance rule or be deemed extra-hazardous by the Landlord's insurance carrier. The Tenant agrees to indemnify and save the Landlord harmless from any act, omission, or negligence of the tenant, tenants contractors, licensee, agents, employees or guests that cause damage, liability, claims, or injury to the Landlord, its property, or other tenants and guests of the building. This indemnity and hold harmless agreement shall include all costs, expenses and liabilities incurred in connection with any such claim or proceeding against the Landlord, including reasonable attorney's fees and court cost. The Tenant shall keep in force, at its own expense, Public Liability Insurance of no less than \$1,000,000.00 per occurrence for bodily injury or death and \$100,000.00 with respect to damage to property. The Landlord shall be named as an Additional Insured on the policy as its interest may appear and shall be given 30 days notice prior to cancellation or reduction in coverage. The Tenant shall submit to the Landlord within 30 days a certificate evidencing such. The Tenant should obtain its own business interruption insurance. Should the Tenant conduct any business or bring onto the premises any item or equipment that causes an increase in the Landlord's Insurance, the tenant shall be responsible for the additional cost of insurance and said cost shall be added to the Tenant's rent. In the event the Tenant changes locks or installs a security system, the Tenant shall supply to the Landlord keys and the security code, to be used in the case of emergency or other allowed entry under the lease. The tenant will use protective chair mats under all desk and rolling chairs to prevent damage to the tile or carpet.

Glass Doors and Windows For 1st Floor Tenants only: The Tenant shall, at its own cost and expense, maintain and replace, as required, all glass doors and windows and all other portions thereof. The Tenant may obtain its own Plate Glass Insurance, or self-insure.

Alterations by Tenant: Prior to any work or installations by the Tenant in the demised premises, the Tenant shall submit to the Landlord reasonably detailed plans covering the work. The Landlord shall act promptly with respect to approval or denial of such plans, at landlord's sole discretion.

Signs: Tenant shall be permitted to place one sign on the front of the building in which the demised premises are located, provided that the sign complies with all applicable requirements and regulations of the City of Portland and Landlord's sign standards. The Tenant will place no other signs, awnings or curtains on any part of the exterior, nor paint the brick or do any mill work or metal work on the exterior without the prior written consent of the Landlord. The Tenants sign(s) shall in no way diminish the rights of other tenants to place their signs that were approved by the Landlord. Any Sign permits required, shall be obtained by the Tenant, at the Tenant's expense.

Damage to Tenant's Personal Property: The Landlord may be liable for damage to the tenants' personal property in the event the Landlord is grossly negligent in its acts or failure to act. In all other circumstances, the personal property located on the property is and remains at the sole risk of the Tenant. The Tenant is responsible for, and should obtain its own insurance against loss to its personal property.

Assignment and Subletting: The Tenant shall have the right to assign or transfer this lease or sublet the leased premises in any manner with the prior written approval of the Landlord, at Landlord's sole discretion.

Inspection Rights: The Landlord shall have the right at all reasonable times to enter the space for making inspections and repairs, and showing the same to potential purchasers, city building and fire inspectors, and within 6 months of the end of the lease term to prospective new tenants. In the event of an emergency the Landlord shall have the right to enter the space at any time.

In the event of Tenant's Default: If the Tenant fails to pay any portion of the rent or late fee due for a period of 10 days or, if the Tenant shall be in default of any other provision of this lease for a period of 30 days, and the Landlord has notified the Tenant of the default, the Landlord may elect by written notice to the Tenant to terminate the lease, and if necessary secure an appropriate order from an appropriate court of competent jurisdiction an order to vacate and take possession of the premises. In the event the Landlord failed to enforce any right under this lease in the past it shall not be construed as a waiver to enforce the right in the future.

Attorneys Fees: In the event it becomes necessary for the Landlord to use the services of an Attorney to take legal action against the Tenant in connection with a breach of any covenant or term of this lease the court shall have the power, in addition to all other relief it grants, to add the reasonable Attorney fees and court costs to the basic relief.

Holding Over: It is in the interest of the Tenant to negotiate a new lease in the event it holds over past the original term as the monthly rent past the original term shall be equal to the last months rent plus 25%. All other terms of the original lease shall govern the rights and obligations of the parties.

Changes Required by Lender: In the event Landlord's lender requires any change to the lease, **as long as the changes do not materially affect the rights of the Tenant, or the rent, or the use of the space by the Tenant,** the Tenant agrees to execute the documents as requested, or in the event the Tenant fails to do so, the Tenant grants to the Landlord its power-of-attorney to execute the documents on its behalf. The Landlord shall forward to the Tenant a copy of the executed documents.

Landlord and Tenant letters: From time to time either party may need to establish to a third party the then current status of the relationship as to compliance under the lease terms. It is agreed that either party, on written request of one to the other, will promptly furnish a written statement on the status of any matter pertaining to the lease. While not a complete list, the usual items requested are a. is the lease in full force and effect, b. has the lease been amended, c. are there any existing defaults to the terms and what are they, and to which date is the rent and all other charges paid.

Subordination: This lease shall be subordinate to the lien of any mortgage now existing or later placed on the property. If the Landlord defaults on any mortgage, by reason of foreclosure, the lease shall be transferred to the mortgagee with the same force and effect as if the mortgagee were the Landlord under the lease, and the Tenant agrees to such transfer without the execution of any further instruments, immediately upon notice by the mortgagee.

Transfer of Landlord's Interest: In the event the current Landlord transfers its interest in the building, and the Tenant is notified of the transfer,

the new Landlord hereby assumes all rights and obligations under this lease and the prior landlord is discharged from any further obligations under this lease.

Rules and Regulations: From time to time the Landlord may issue rules and regulations regarding the parking lot, common areas, trash removal, heating and cooling and other similar matters. The Tenant agrees to observe these rules as long as the rules are uniformly applicable and reasonably consistent with rules and regulations for similar buildings in the greater Portland area. Failure to observe these reasonable rules is a breach of the lease.

Use of Space: The tenant agrees to use the leased space for the following purpose, and for no other purposes: a café serving coffee, tea, and baked goods, and associated administrative uses.

Parking: Landlord shall provide Tenant with one dedicated parking space in the lot behind the building in which the demised premises are located, adjacent to Noyes street.

Responsibility upon vacating: The Tenant shall bring all rent current under the entire term of the lease, leave the space in broom clean condition, with tile floors cleaned of all paint, scuff marks and other blemishes (other than those existing at the initial occupancy), the carpeted floors free of all stains, and the walls and ceiling in a condition no worse than the condition upon the initial occupancy.

Bounced checks for security deposit or first month's rent will be assessed a fee of \$50 per check.

Landlord:
East End Corp.

by

Date

Tenant

by

Date

GUARANTY

The undersigned, being the members of the Tenant, unconditionally guaranty the obligations of the Tenant under this Lease.

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Rachel Kreie