

COMMERCIAL LEASE AGREEMENT

I. THE PARTIES. This Commercial Lease Agreement made on the _____ by and between _____, of _____, _____, _____, _____, hereinafter known as the "Lessor", and _____, of _____, _____, _____, hereinafter known as the "Lessee." The Lessor and the Lessee shall be collectively known as the "Parties". Both Parties agree as follows:

II. DESCRIPTION OF LEASED PREMISES. The Lessor agrees to lease the Lessee the commercial property located at _____, _____, _____, _____. Additional description of the property are as follows:

The commercial property shall be herein known as the "Premises."

III. USE OF LEASED PREMISES. The Lessor agrees to lease the premises to the Lessee and the Lessee shall lease the premises under the following use and purposes:

Any change/s not enlisted above shall require the Lessor's written consent only.

III. TERM OF LEASE. This term of Lease shall last for the period of _____ and _____ and shall take effect on _____ and concluding on _____. ("Initial Term").

IV. BASE RENT. The net monthly rent shall be _____, paid monthly upon the effectivity of the Lease with the first payment due upon the effective date of this Lease and the monthly installment shall be in the amount of _____, payable on the _____ of each month. Such net monthly rent shall be hereinafter known as the "Base Rent." Any payment made during the term which is for less than one month shall be considered a pro-rata portion of the monthly rent.

V. OPTION TO RENEW. In the event that the Lessee is not in default in the execution of this initial lease term, the Lessee shall have the right to renew the Lease for an additional term of _____, effective on the conclusion of the initial lease term. The terms and conditions set forth in the initial lease term shall remain effective, except for the monthly rent which will be _____. The Lessee shall be given _____ days prior to the conclusion of the initial lease term to submit a written notice of renewal. If Lessee fails to

submit the said written notice within the specified time, then the Lessor shall dismiss the said option.

VI. EXPENSES. The Lessee shall pay 100% of the operating expenses, including but not limited to, repairs and maintenance, management salaries and fees (on- or off-site), utilities, property and real estate taxes, administrative fees, heating, ventilation, and air conditioning (HVAC), security, waste disposal, cleaning and custodial, and operating materials and supplies. Any costs and expenses, including the reasonable attorney's fees incurred by the Lessor in executing the rights and remedies hereunder, shall be reimbursed by the Lessee.

VII. SECURITY DEPOSIT. The Lessee shall deposit an amount of _____, payable in advance or on the effective date of this Lease. Said amount shall be hereinafter known as the "Security Deposit." The Security Deposit shall be kept by the Lessor or held in escrow as security for the faithful performance of the Lessee by the terms and conditions as set forth in this Lease. A written permission from the Lessor shall be required if the Security Deposit will be made as payment for the last month's rent.

VIII. LEASEHOLD IMPROVEMENTS. Any improvements, changes, and/or additions to the leased premises by the Lessee, including but not limited to non-structural improvements and attached equipment and furniture, shall require a written consent from the Lessor. After the conclusion of this Lease Agreement, all improvements, changes, and/or additions shall remain the Lessor's property.

IX. PERMITS AND LICENSES. Any and all local, state, and federal permits and licenses required from the Lessee regarding the lease of the Premises shall be displayed on site at all times and shall be available and furnished to the Lessor, representatives, or by any local, state, and federal officials upon request.

X. LESSEE OBLIGATIONS. The Lessee, at its sole cost and expenses, shall be responsible for the repair and maintenance of the leased premises, including but not limited to the repainting of inner and outer walls, changing of lightbulbs, heating, ventilating and air conditioning system (HVAC) replacement, and restorations and replacement of frames, windows, accessory parts, and doors thereof. The Lessee shall be responsible for the safety and cleanliness of the leased premises, such as the removal of general and hazardous wastes in accordance with the local, state, and federal laws.

XI. INSURANCE. In the event that the Lessee fails to secure the required insurance hereunder and continues doing so under the term, the Lessor may, but will not be required to charge an additional fee on top of the monthly rent as payment for the insurance premium. Said

insurance shall cover the following: fire, earthquake, flood, and other casualties that is beyond the Lessee's negligence and control.

XII. ASSIGNMENT/SUBLETTING POLICIES. Subletting or assignment of rights and interests of the Leased Premises or any part thereof shall be strictly prohibited without the written consent of the Lessor.

XIII. DAMAGES TO LEASED PREMISES. In the event that the leased premises is damaged by natural calamities, such as fire, earthquake, flood, storm, and any other casualty that is beyond the negligence or control of the Lessee, the monthly rent shall be adjusted to cover all expenses necessary to revert the leased premises to its original condition.

XIV. DEFAULT AND POSSESSION. In the event that the Lessee fails to make payment on the specified time, or any other expenses due and payable as set forth herein, after a written notice has been furnished, the Lessor shall have the right to terminate this Lease Agreement and may re-enter the premises immediately and take possession of the inventory, equipment, fixtures, and personal property of the Lessee as security for the unpaid rent and any other defaults committed under this Lease Agreement.

XV. INDEMNIFICATION. The Lessee shall indemnify and hold harmless the Lessor from damages, demands, claims, penalties, liabilities, loss and expenses (including attorney's fees) as a result of the Lessee's use of the leased premises. The Lessor shall not be held responsible for any injury, accident, or death as caused by the negligence of the Lessee or its visitors while the leased premises is under the control of the Lessee.

XVI. BANKRUPTCY. In the event that the assets of the Lessee shall be transferred for the benefit of its creditors or a voluntary petition of bankruptcy has been submitted by the Lessee, the Lessor shall have the right to terminate this Lease Agreement.

XVII. ATTORNMENMENT AND SUBORDINATION. In the event that the Lessor transfers all the rights and interests of the leased premises to a new owner as collateral for a pending loan or sells the leased premises as a normal sale, the Lessee shall continue issuing monthly rent payments to the new owner. The Lessee shall acknowledge any amendments made in this Lease Agreement by the new owner and failure to execute such may constitute eviction.

XVIII. MISCELLANEOUS TERMS.

- 1. Parking.** Only one parking space will be provided per Lessee. Unauthorized parking of the Lessee's visitors will constitute a running fine of _____ per hour.

2. **Pets.** Pets shall only be permitted in the property on the grounds of assisting the handicapped and the disabled.
3. **Right of entry.** The Lessor shall be given the full right to enter the premises when necessary. A written notice shall be given to the Lessee _____ days prior to the visit to conduct an inspection, maintenance, or repair of the property.
4. **Use of common areas.** The Lessee shall designate a smoking area, for example, to avoid disturbance and disputes from neighboring occupants.

XIX. ESTOPPEL CERTIFICATE. In the event that a party requests for when the rent payment was made, inquires if this Lease is in full effect, or any modifications made in this Lease, both the Lessor and the Lessee shall furnish within _____ days the certification in writing stating such. Defaults committed by either party shall also be stated herein.

XX. HOLDOVER. In the event that the Lessee fails to vacate the premises after the termination of this Lease, without renewal or an addendum, said tenancy shall be known as a tenancy of sufferance. The Lessee shall pay the monthly rent equivalent to 150% payable after the last month of the term. If the Lessor has difficulty in turning over the premises to a new lessee as a result of the Lessee's holdover, said Lessee shall be held liable for the damages, such as profit loss.

XXI. WAIVER. Any waiver made by the Lessor shall not be deemed a waiver in case of future defaults.

XXII. GOVERNING LAW. This Lease shall be in accordance with the laws of the State of _____.

XXIII. NOTICES. Notices, payments, and other lease-related matters shall be forwarded to the following addresses:

XXIV. AMENDMENT. Any amendment made of this Lease shall only be effective when put into writing and when signed and acknowledged by both parties with the same procedures as the original.

XXV. BINDING EFFECT. This Lease and all amendments thereto shall be binding upon and inure to the benefit of the Lessor and the Lessee and their respective heirs, assigns, legal representatives, executors, and successors.

The Parties hereto have duly executed this Agreement on the _____.

LESSEE'S NAME

LESSOR'S NAME

ACKNOWLEDGMENT OF NOTARY PUBLIC

On the _____, before me appeared, _____, as LESSEE, of this Commercial Lease Agreement who proved to me through satisfactory evidence to be the same person as stated herein, performed the foregoing instrument in my presence and acknowledged the details as stated herein and signed this document voluntarily.

NOTARY PUBLIC'S NAME

SEAL

EXPIRY DATE OF COMMISSION