

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

*

LEASE AGREEMENT

PLEASE TAKE NOTICE THAT PURSUANT TO S 15-48-10 CODE OF LAWS OF SOUTH CAROLINA [1976], AS AMENDED, THIS AGREEMENT CONTAINS A PROVISION FOR THE SUBMISSION OF ANY AND ALL CONTROVERSIES ARISING BETWEEN THE PARTIES TO ARBITRATION, REGARDLESS OF WHETHER SUCH CONTROVERSIES ARE GOVERNED BY FEDERAL, STATE, OR INTERNATIONAL CONTRACT LAW, TORT LAW, STATUTE OR TREATY, AND IRRESPECTIVE OF THE FORM OF RELIEF SOUGHT.

THIS LEASE, made this the _____ day of _____, 2009, by and between _____ (hereinafter referred to as %landlord+), and _____, (hereinafter referred to as %tenant+).

Landlord, in consideration of the rent, does hereby lease to Tenant and said Tenant agrees to lease and take upon the terms and conditions, which hereinafter appears the following described property (hereinafter called %Premises+).

Approximately _____ rentable square feet located at _____, for a term of _____ years commencing on _____ and ending on _____, unless sooner terminated as provided herein; or unless commenced later as provided herein.

In the event the subject Premises are not completed by the anticipated commencement date contained herein, Landlord shall have ninety (90) days in which to complete said construction. Should the Premises not be completed within the ninety (90) day period, Tenant shall have no further obligation hereunder to Landlord and this

agreement may be terminated at the sole discretion of the Tenant. But Landlord shall have an additional day to complete said Premises for every day of rain causing delay occurring from the date hereof.

Rental payments due under the provisions of this agreement shall commence on the date (the commencement date) which is earlier of (i) ten (10) days after the date on which the Landlord notifies the Tenant that a Certificate of Occupancy for the subject Premises has been obtained, or (ii) the Tenant first occupies the subject Premises for business.

The Tenant shall be given three (3) business days prior to occupancy to inspect the finished space to be leased hereby, and Tenant shall provide Landlord a punchlist.

1. PAYMENT OF RENT AND UTILITIES:

- a. Rent: See Exhibit ~~A~~+
- b. Payment of Rent: The fixed annual rent shall be paid to the Landlord in equal monthly installments in advance on the first day of each month during the term of this Lease, without offset or demand.
- c. Late Fee: Tenant shall pay to Landlord a sum equal to ten (10%) percent of any payment hereunder which is received more than ten (10) days late.
- d. Utilities: Tenant shall pay gas, electricity, fuel, light, heat, power bills, and prorated portion of water based on percentage of space rented for leased Premises used by Tenant in connection therewith.
- e. Taxes: Tenant shall pay as additional rent, its prorated share of the increase in the real estate taxes over the base year. The base year is _____.

- f. Insurance: Tenant shall pay as additional rent, its prorated share of the increase in the property liability insurance premiums over the base year. The base year is _____.
- g. Common Area and Maintenance: Tenant shall pay as additional rent its prorated share of the increase over the base year. The base year is _____.
- h. Prorated Share: The prorate share is defined as the amount of the Tenant's square footage in relation to the square footage of the entire project. As an example: If the Project is 10,000 square feet and the Tenant occupies 1,000 square feet, then the Tenant is responsible for 10% of the cost.

2. CONDITION OF PREMISES:

Tenant's taking possession shall be conclusive that the Premises were in good order and satisfactory condition when Tenant took possession. No promise of Landlord to alter, remodel, decorate, clear, or improve the Premises of the building has been made by Landlord to Tenant, unless the same is contained herein, or made a part hereof, except punchlist items.

3. USE OF PREMISES:

Tenant shall use the Premises for a _____ or similar business or related purpose and shall not use or permit the Premises to be used for any other purpose without the prior written consent of the Landlord.

4. LIABILITY:

- a. Tenant agrees to indemnify and save Landlord harmless against any and all claims, demands, and expenses arising from the conduct or management of the

business conducted by Tenant in the leased Premises or from any breach or default on the part of the Tenant in the leased Premises or from any breach or default on the part of the Tenant to the performance of any covenant or agreement on the part of the Tenant to be performed pursuant to the terms of the Lease, or from any contractors, servants, employees, subleases, or licensees, in or about the leased Premises, the sidewalks adjoining the same, the loading area allocated to the use of Tenant, and the common area. In case of any action or proceeding brought against Landlord by reason of any such claim, upon notice from Landlord, Tenant covenants to defend such action or proceedings by providing qualified legal counsel.

- b. All property kept, stored or maintained in the leased Premises shall be so kept, stored or maintained at the sole risk of Tenant. Tenant agrees to pay and discharge any mechanics, materialmen or other lien against the lease Premises or Landlord's interest therein claimed in respect of any labor services, materials, supplies, or equipment furnished or alleged to have been furnished to or upon the request of Tenant, provided the Tenant may contest such lien claim, and provided Tenant shall first discharge the property from such lien by furnishing and filing at its own expense, the name of the Tenant or in the name of Landlord, as may be required, surety bond from that purpose as authorized by South Carolina Code of Laws.
- c. Landlord shall not be liable to Tenant for any damage occasioned by plumbing, electrical, gas, water, steam, or other utility pipes, systems, and facilities, or by the bursting, stopping, leaking or running of any tank, washstand, closet waste or

other pipes in or about said Premises of the building and building complex of which they are a part, unless directly resulting from Landlord's acts, or neglect; nor from any damage arising from any acts or neglect of Co-Tenants or other occupants of adjacent property, or the public.

- d. If any portion of the entire Premises leased hereby be condemned by any legally constituted authority for any public use or purpose, or, if the lease Premises is sold by Landlord under threat of or in lieu of condemnation, then in any such events the lease term herein granted shall automatically cease on the date that such condemnation or sale becomes final, and rental shall be accounted for as between Landlord and Tenants as of that date. Landlord shall give a minimum of sixty (60) days notice to Tenant upon receipt of condemnation notice by appropriate authorities.

5. ASSIGNMENT – SUBLETTING:

The Tenant shall not, without Landlord's prior written consent, sublet the Premises or any part thereof.

6. LANDLORD'S REPRESENTATION OF GOOD TITLE:

The Landlord represents that it owns the land and the improvement on the subject property containing the leased Premises.

7. COMPLIANCE WITH ORDERS, ORDINANCES, ETC.:

The Landlord certifies that the Premises and all improvements to be located thereon, excluding fixtures and appurtenances installed by the Landlord shall conform to all applicable laws, ordinances, regulations, and requirements of governmental authorities. The Landlord will, at its sole cost, comply with all such laws, ordinances,

regulations and requirements. Tenant agrees to maintain the interior of the leased Premises in accordance with all applicable laws, ordinances, regulations, and requirements of governmental authorities.

8. QUIET ENJOYMENT:

The Landlord covenants and agrees that the Tenant, upon paying the base rent and all other charges herein provided for an observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, shall lawfully and quietly hold, occupy and enjoy said Premises during the term of this Lease without hindrance of the Landlord or other Tenants of the Landlord. It shall be noted that construction of other Tenant's space shall from time to time create noise and some obstruction of parking area, all of which shall be held to a minimum and at no time shall this impede parking or traffic flow.

9. ALTERATIONS AND ADDITIONS:

The tenant shall not make any alterations or additions to Premises without Landlord's prior written consent. Such consent shall not be unreasonably withheld

10. REPAIRS AND MAINTENANCE:

Landlord agrees to maintain and keep in good repair the roof, foundations, exterior walls, building exterior pipes, parking lot landscaping, plumbing and electrical service to the Premises. Tenant shall at its own risk and expense maintain all parts of the leased Premises and other improvements in good repair and conditions, including but not limited to, routine maintenance of windows due to breakage, interior walls, interior doors, interior pipes, plumbing, electrical systems, mechanical

systems and appurtenances. Landlord shall keep the Premises dry, repairing any leaks in roof, walls or pipes from other Tenant spaces.

11. FIRE OR OTHER CASUALTY:

In case of damage by fire or other casualty to the building and or the leases premises, without the fault of the Tenant, then Landlord shall diligently pursue the repair of the building to its original size and quality. If the damage had rendered 50% or more of the building or leases Premises Tenantable, the Landlord may at its sold discretion declare this lease terminated. The rent shall be apportioned from the date of the damage to the date of full repair or termination of the lease, whichever first occurs. In determining what constitutes reasonable dispatch of repairs, consideration shall be given to delays caused by strikes, adjustment of insurance and other causes beyond the Landlord's control.

12. INSURANCE:

a. Landlord Insurance: Landlord agrees to and shall secure from a good and responsible company or companies doing insurance business in the State of South Carolina, and maintain during the entire term of this lease, or any renewal thereof. Insurance covering the building on the Premises and all leasehold improvements therein against loss or damage by fire, and against such other risks or similar nature as are customarily covered with respect to buildings similar in construction, General location, use and occupancy to buildings then on the Premises, including, but not limiting the generality of the foregoing, windstorm, hail, explosion, riot and civil commotion, damage from aircraft and vehicles and smoke damage, as and when insurance against such other risks is obtainable,

with respect to buildings of such construction, general locations, use and occupancy. Upon request by Tenant, Landlord shall furnish Tenant with copies of said policies of insurance.

- b. Tenant Insurance: Tenant agrees to carry insurance against fire and such other risks as are from time-to-time included in standard extended coverage insurance for the full insurable value of all improvements provided by Tenant. Tenant shall also carry said insurance for the full insurable value of Tenant's merchandise, trade fixtures, furnishings, wall covering, carpeting, drapes, equipment, window coverings, and all other items of personal property of Tenant located on or within the Premises. Tenant agrees to and hereby does indemnify and save Landlord harmless against all claims for damages to persons or property by reason of Tenant's use or occupancy of the Premises, and all expenses incurred by Landlord because thereof, including attorney's fees and court costs. Supplementing the foregoing and in addition thereto, Tenant shall during all times of this lease and by extension or renewal thereof, and at Tenant's expense, maintain in full force and effect comprehensive general liability insurance with limits of \$500,000 per person and \$1,000,000 per accident, and property damage limits of \$100,000 which insurance shall contain a special endorsement recognizing and insuring all liability accruing to Tenant under the first sentence of this paragraph, and naming Landlord as additional insured. Tenant shall provide evidence of such insurance to Landlord prior to the commencement of the term of this lease. Landlord and Tenant each hereby release and relieve the other and waive its right of recovery, for loss or damage arising out of or incident to the

perils insured against which perils occur in, on, or about the Premises, whether due to the negligence of Landlord or Tenant or their agents, employees, contractors, and/or visitors, to the extent that such loss or damage is within the policy limits of said comprehensive general liability insurance. Landlord and Tenant shall, upon obtaining the policies of insurance required, give notice to the insurance carrier or carriers that the foregoing mutual waiver or subrogation is contained in this lease.

13. TRADE FIXTURES AND EQUIPMENT:

Landlord agrees that all trade fixtures, signs, equipment, furniture or other personal property of whatever kind and nature kept or installed on the Premises shall not become a part of the realty, no matter how affixed to the Premises and may be removed by Tenant at any time and from time-to-time during entire term of this lease.

14. NOTICE TO VACATE:

Tenant agrees to notice Landlord in writing of its intention to vacate the premises at least three (3) months prior to expiration date of this lease.

15. DEFAULT:

a. In the event Tenant shall default in the payment, when due, of any installment of rent or other charges of money obligation to be paid by Tenant hereunder (all of which monetary obligations of Tenant shall bear interest at the rate of prime plus 2-1/2% per annum from the date due until paid), and fails to cure said default within ten (10) days of the due date, or if Tenant shall default in performing any of the covenants, terms or provisions of this lease, (other than the payment, when

due, of any Tenant's monetary obligations hereunder), or any of the rules and regulations now or hereafter established by Landlord to govern the operation of the building and fails to cure such default within thirty (30) days after written notice thereof from Landlord; or if Tenant is adjudicated a bankrupt; or if a permanent receiver is appointed for Tenant's property; or if, whether voluntarily or involuntarily, Tenant takes advantage of any debtor relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred; or if Tenant makes an assignment for the benefit of creditors; or if Tenant's effects should be levied upon or attached under process against Tenant, not satisfied or dissolved within ten (10) days after written notice from Landlord to Tenant to obtain satisfaction thereof, then, and in any of said events, Landlord, at its option may pursue any one or more remedies without any notice or demand whatsoever, including: Landlord, at its option, may at once, or at any time thereafter, terminate this lease by written notice to Tenant, whereupon this lease shall end.

b. Upon such termination by landlord:

1. Tenant will at once surrender possession of the premises to Landlord and remove all Tenant's effect therefrom, and Landlord may forthwith re-enter the Premises and repossess himself thereof, and remove all persons and effects therefrom, without being guilty of trespass, forcible entry, detainer or other tort.
2. The entire remaining dollar amount of the lease shall continue to be due and payable to Landlord, as liquidated damages, on a monthly basis until such time landlord can re-lease the Tenant's space on the same terms and conditions, at

which time the Tenant will have no further obligation to the Landlord, as long as all previous monies due have been paid. If Tenant's space is re-leased for a lesser amount, then Tenant will remain obligated to pay any additional offset monies that would be due on a monthly basis.

16. HOLDING OVER:

- a. Holding over or retention of the Premises by the Tenant after expiration of this lease shall operate and be construed as a tenancy from month-to-month only, at a rental rate to be determined at that time by landlord and shall not be construed as renewing this Lease in any manner whatsoever. Further, during said month-to-month tenancy, Tenant agrees to notify Landlord in writing at least three (3) complete rental months prior to vacating, and only upon full payment to Landlord of said final month's rent. All other conditions, warranties, covenants, and agreements contained herein shall remain in effect after expiration date and extend through the entire month-to-month tenancy. Premises shall not be considered vacated until all keys and Tenant's forwarding address are delivered to Landlord.
- b. During such month-to-month tenancy, Landlord has the right to increase the rent upon giving Tenant thirty (30) days advance written notice of his intent. Tenant must accept or reject within ten (10) days of receipt of said notice. If the rent increase is rejected, Tenant agrees to vacate at the end of the next full rental month.

17. SPECIAL STIPULATIONS:

- a. Landlord reserves the right to establish rules and regulations which, in its judgement, may be needed from time-to-time for the security, safety, care, cleanliness, appearance, and proper conduct of the entire Premises, including but not limited to, the assignment of parking spaces for visitor and employee parking.
- b. The Tenant shall permit the Landlord or its designees to erect, use, maintain and repair exterior pipes and plumbing, cables, conduits, vents and wires in, to and through the leased property, and to the extent that the landlord may now or hereafter deem to be necessary or appropriate for the proper operation and maintenance of the building. All such work shall be done, so far as practicable, in such a manner as to avoid interference with the Tenant's use of the leased property.
- c. The term "Landlord" as used in this lease means only the present owner of the aforesaid estate in land on which the building rests and the building so that in the event of any sale or sales thereof, Landlord who is a grantor in any such sale, shall be and hereby is entirely relieved of all the obligations of the Landlord, except that Landlord shall continue to be obligated to Tenant to insure that Tenant's deposit, if any, is maintained and returned pursuant to the requirement of South Carolina Code of Laws.. The term "Tenant" shall include Tenant's heirs and representatives, and if this lease shall be validly assigned or sublet, shall include also Tenant's assignees or subleases. Except as otherwise provided herein, the rights and obligations of the landlord and Tenant hereunder shall be

binding upon and shall inure to the benefit of their respective heirs, legal representatives and in the singular, where the context so requires.

- d. The headings of the paragraphs in this lease are merely descriptive, are intended for reference purposes only and do not constitute a part of the terms and provisions of this lease.
- e. In the event that any court or authoritative body of competent jurisdiction should determine that for any reason any provision of this agreement should be invalid and unenforceable, the parties hereto agree that such determination shall not affect the remaining provisions hereof which shall be completely separable and remain in full force and effect; provided that neither parties; rights, benefits or obligations under the original contract are materially impaired or changed by said remaining provisions of this agreement; in which case, either party whose rights are so materially affected may terminate this agreement.
- f. Landlord shall assign specific parking spaces for the Tenant, which will be outline and attached hereto. The number of parking spaces provided by Landlord for the entire Premises shall be in compliance with all then existing code requirements.
- g. Tenant shall, at Tenant's expense, provide janitorial services, trash removal and maintenance for the interior of the leased Premises.
- h. Landlord shall provide Tenant's buildout in accordance with plans attached as Exhibit B+ to this lease. Landlord and Tenant agree that all Tenant's buildout will be performed by _____.
- i. At execution of this lease, Tenant shall pay Landlord the sum equal to the first month's and last month's rent.

- j. Landlord shall provide for normal and reasonable trash removal, (two times per week), for the Property. Any additional removal requirements shall be the responsibility of the Tenant.
- k. Tenant will have the right to install signage on the Building monument. Said signage will be in compliance with standards set for the Building. Standards set for the Building will maintain consistency with respect to type of material, size, color, and font of all lettering. Drawings and plans for signage should be submitted to Landlord for approval prior to installation. Cost of said signage will be at the Tenant's expense.

18. NOTICE:

Notice and demands given under this lease shall be given by personal delivery or shall be sent Certified Mail, Return receipt requested. If by Certified Mail, notice shall be deemed given on the fifth (5th) day after mailing.

Landlord's notice address is:

Telephone: _____

Facsimile: _____

Notice to Tenant shall be addressed to Tenant at the leased Premises, and to:

19. WAIVER:

No waiver by the parties hereto of any default or breach of any term, condition or covenant of this lease shall be deemed to be a waiver of any other breach of the same or any other term, condition, or covenant contained herein.

20. TIME OF ESSENCE:

Time is of the essence of this agreement.

21. AGENCY:

Landlord and Tenant affirm that no outside parties or agency were used in this transaction and that no outside commission or fee is due to any party claiming representation of either Landlord or Tenant.

- a. Tenant hereby agrees to be obligated to make all rent and other monetary payments hereunder, without any offset or deduction whether or not default condition has occurred with either party to this lease.

22. ARBITRATION:

The parties mutually agree that any and all controversies arising between the parties, whether governed by federal, state, or international contract law, tort law, statute or treaty, and irrespective of the form of relief sought, including but not limited to any dispute arising between the parties concerning the terms and conditions of this Contract of the consummation of the transaction represented hereby, shall be submitted to arbitration to be conducted under the Rules of the American Arbitration Association by a Board of Arbitrators selected in the following manner: _____ shall select one arbitrator, _____ shall select one arbitrator, and a third, who shall act as Umpire in Arbitration, shall be selected by the two so nominated.

The party desiring to initiate arbitration shall give notice to the other of the name and address of his designated arbitrator, and the other shall have ten (10) days after receipt of such notice in which to appoint the second arbitrator. The two so designated shall have an additional ten (10) days in which to select an Umpire, and the Board, when formed, shall have sixty (60) day in which to make a determination upon the issues presented to it. The majority decision of this Board of Arbitration shall be binding upon the parties to this agreement, and upon their heirs, successors, executors, administrators and assigns. Any award determined by such arbitration shall include legal expenses, any claims for interest or monies dues, and the costs of arbitration.

22. GOVERNING LAWS

The laws of the State of South Carolina shall govern this lease.

WITNESS our hands and seals this day and date first above written.

LANDLORD:

DATE: _____

By: _____

TENANT:

DATE: _____

By: _____

DATE: _____

By: _____

GUARANTY

The undersigned hereby unconditionally guarantees the obligation of the Tenant to this lease agreement.

By: _____

Date: _____

Address: _____

Social Security Number: _____

Federal Tax ID Number: _____

EXECUTED IN TRIPLICATE

EXHIBIT A

The following provides the rent schedule for the attached lease. Should the Lease begin on a date other than the first day of the month, then the fiscal year and the anniversary date shall be the first day of the next month. Tenant shall pay a prorated rental for any partial month. The monthly base rent shall increase three percent (3%) each year thereafter, as of the anniversary date of the Lease.

As used herein, a LEASE YEAR is a period of 12 consecutive calendar months.

BASE RENTAL PAYMENT SCHEDULE:

<u>Per Square Foot</u>	<u>Monthly</u>
Year 1	
Year 2	
Year 3	
Year 4	
Year 5	
Year 6	
Year 7	
Year 8	
Year 9	
Year 10	

Tenant has the option to renew space for three (3) or five (5) years by giving the Landlord ninety (90) days written notice before expiration of lease and the rental rate shall be at fair market value. If tenant does not notify Landlord of renewal, then Landlord can lease the space to another Tenant with any further obligation to Tenant.