

WHITE MOUNTAIN PLAZA COMMERCIAL LEASE
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This lease is made between **White Mountain Plaza**, whose business address for the payment of rent and notice purposes is **White Mountain Plaza Property MGR, 1204 Mechem Suite #1, Ruidoso, NM 88345**, herein called Lessor (Landlord), and **A Successful Business**, herein called Lessee (Tenant).

Lessee hereby offers to lease from Lessor the premises situated in the City of Ruidoso, County of Lincoln, State of New Mexico, described as White Mountain Plaza #__, 1204 Mechem Drive, upon the following TERMS and CONDITIONS:

1. Term and Rent. Lessor demises the above premises for a term of Thirty-Six Months, commencing TBD_____ and terminating on TBD _____ or sooner as provided herein at the annual rental of \$TBD_____, in increments of \$ TBD _____ per month. Beginning TBD_____ and every month thereafter rent shall be due on the first of each month with grace to the third. If rent is not paid by the third it will be subject to an initial \$25.00 late charge plus \$2.00 per day for each day after the third until paid in full. Rent is payable in equal installments in advance on the first day of each month for that month's rental, during the term of the lease. All rental payments shall be made to Lessor, at the address specified above.

2. Use. Lessee shall use and occupy the premises for a **AN APPROVED BUSINESS TYPE**. Landlord may designate parking for the occupants and employees of the office. Occupants and employees must adhere to such designations. No more than **TBD** occupants or employees shall use the retail space. Additional occupants or employees shall increase the monthly rental by \$TBD per month each and no more than **TBD** occupants or employees shall be allowed. The premises shall be used for no other purpose. Lessor represents that the premises may lawfully be used for such purpose.

3. Care and Maintenance of Premises. Lessee acknowledges that the premises are in good order and repair, unless otherwise indicated herein. Lessee shall, at his own expense and at all times, maintain the premises in good and safe condition, including plate glass, light bulbs/tubes, door locks, electrical outlets, switches and lighting ballasts and any other system or equipment upon the premises, and shall surrender the same at termination hereof, in as good condition as received, normal wear and tear excepted. Lessee shall be responsible for all repairs required, excepting the roof, exterior walls and structural foundations, heating, hot water and swamp cooler and any part of the electrical system not previously mentioned as Lessee's responsibility. Additionally, Lessor shall be responsible for all plumbing and sewer lines in the walls, floors and ceilings so long as any maintenance need of said plumbing is not created by misuse and/or abuse of the same by Lessee or his invitees.. Tenant is advised to properly drain water lines to the swamp cooler at the end of the cooling season. Lessor will not be responsible for damages that may occur due to burst water lines to the Swamp Cooler. Tenant may request Landlord to make repairs outside the scope of Landlord's responsibility. Such repairs if performed, at landlord's sole option, shall be billed to Tenant. Lessor must approve all contractors performing work on the demised property. All payments to Landlord shall first be applied to outstanding charges of all types and then to rent.

4. Alterations. Lessee shall not, without first obtaining the written consent of Lessor, make any alterations, additions, or improvements, in, to or about the premises.

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5. Ordinances and Statutes. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by Lessee.

6. Assignment and Subletting. Lessee shall not assign this lease or sublet any portion of the premises without prior written consent of the Lessor. Any such assignment or subletting without consent shall be void and, at the option of the Lessor, may terminate this lease.

7. Utilities. Lessee shall be solely liable for gas, electricity, telephone, cable and Internet services, if any. At commencement, Landlord shall provide and pay for water and sewer. Lessor, at its sole option may sub meter to tenant, water and sewer actually used by tenant with sixty days written notice of the same. Landlord may have necessary access to the demised property to install such sub-metering.

8. Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to enter upon the premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same, and will permit Lessor at any time within sixty (60) days prior to the expiration of this lease, to place upon the premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the premises thereafter.

9. Possession. Tenant can take possession **TBD** _____ of the demised property.

10. Indemnification of Lessor. Lessor shall not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the demised premises or any part thereof, and Lessee agrees to hold Lessor harmless from any claim for damages, no matter how caused.

11. Insurance. Lessee, shall hold Lessor harmless and defend Lessor in all uninsured claims that may arise out of his occupancy in the demised property including but not limited to casualty loss, liability claims of employees and business invitees and guests and business interruption. Or at his expense, shall maintain plate glass and public liability insurance including bodily injury and property damage insuring Lessee and Lessor with minimum coverage as follows:

Lessee shall provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The Certificate shall provide for a ten-day written notice to Lessor in the event of cancellation or material change of coverage. To the maximum extent permitted by insurance policies, which may be owned by Lessor or Lessee, Lessee and Lessor, for the benefit of each other, waive any and all rights of subrogation, which might otherwise exist.

12. Eminent Domain. If the premises or any part thereof or any estate therein, or any other part of the building materially affecting Lessee's use of the premise, shall be taken by eminent domain, this lease shall terminate on the date when title vests pursuant to such taking. The rent, and any additional rent, shall be apportioned as of the termination date, and any rent paid for any period beyond that date shall be repaid to Lessee. Lessee shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Lessee may file a claim for any taking of fixtures and improvements owned by Lessee, and for moving expenses.

13. Destruction of Premises. In the event of a partial destruction of the premises during the term hereof, from any cause, Lessor shall forthwith repair the same, provided that such repairs can be made within sixty (60) days under existing governmental laws and

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regulations, but such partial destruction shall not terminate this lease, except that Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs shall interfere with the business of Lessee on the premises. If such repairs cannot be made within said sixty (60) days, Lessor, at his option, may make the same within a reasonable time, this lease continuing in effect with the rent proportionately abated as aforesaid, and in the event that Lessor shall not elect to make such repairs which cannot be made within sixty (60) days, this lease may be terminated at the option of either party. In the event that the building in which the demised premises may be situated is destroyed to an extent of not less than one-third of the replacement costs thereof, Lessor may elect to terminate this lease whether the demised premises be injured or not. A total destruction of the building in which the premises may be situated shall terminate this lease.

14. Lessor's Remedies on Default. If Lessee defaults in the payment of rent, or any additional rent, or defaults in the performance of any of the other covenants or conditions hereof, Lessor may give Lessee notice of such default and if Lessee does not cure any such default within three days, after the giving of such notice (or if such other default is of such nature that it cannot be completely cured within such period, if Lessee does not commence such curing within such three days and thereafter proceed with reasonable diligence and in good faith to cure such default), then Lessor may terminate this lease on not less than three days' notice to Lessee. On the date specified in such notice the term of this lease shall terminate, and Lessee shall then quit and surrender the premises to Lessor, but Lessee shall remain liable as hereinafter provided. If this lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the premises by any lawful means and remove Lessee or other occupants and their effects. No failure to enforce any term shall be deemed a waiver.

15. Security Deposit. Lessee has a deposit with Lessor from the signing of a previous lease the sum of **a sum equal to one month's rent** as security deposit for the performance of Lessee's obligations under this lease, including without limitation, the surrender of possession of the premises to Lessor as herein provided. If Lessor applies any part of the deposit to cure any default of Lessee, Lessee shall on demand deposit with Lessor the amount so applied so that Lessor shall have the full deposit on hand at all times during the term of this lease.

16. Tax Increase. In the event there is any increase during any year of the term of this lease in the City, County or State real estate taxes over and above the amount of such taxes assessed for the tax year during which the term of this lease commences ("The Base Year"), whether because of increased rate or valuation or special assessment, Lessee shall pay to Lessor upon presentation of paid tax bills an amount equal to five percent of the increase in taxes over the Base Year upon the land and building in which the leased premises are situated. In the event that such taxes are assessed for a tax year extending beyond the term of the lease, the obligation of Lessee shall be proportionate to the portion of the lease term included in such year.

17. Common Area Expenses. The demised premises are situated in a commercial building in which there are common areas, Lessee agrees to pay his pro-rata share of maintenance for the common area, including but not limited to snow removal, grounds maintenance and pick up and necessary maintenance of such areas. Lessee will not be assessed for upgrades to the common areas, but rather for the on going upkeep of those common areas and common area improvements in place. Lessee's share of the common area is **TBD** percent.

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18. Attorney's Fees. In case suit should be brought for recovery of the premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.

19. Waiver. No failure of Lessor to enforce any term hereof shall be deemed to be a waiver.

20. Notices. Any notice which either party may, or is required to give, shall be given by mailing the same, postage prepaid, to Lessee at the premises or Lessor at the address first written or at such other places as may be designated in writing by the parties from time to time.

21. Heirs Assigns Successors. This lease is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.

22. Option to Renew. No renewal option is granted by this lease. The month-to-month rate after expiration of this lease **\$TBD** per month until either party hereto changes this arrangement pursuant to their rights in writing thirty days in advance.

23. **Subordination.** This lease is and shall be subordinated to all existing and future liens and encumbrances against the property. Tenant agrees to provide satisfactory estoppels to any lender against the property should they require the same in order to finance the demised property for the Lessor.

24. **Environmental Impact.** Lessee shall not adversely impact the environment of the demised property nor through such actions the value or use of any part of White Mountain Plaza.

25. **Responsibility.** Lessee shall be responsible for his actions, the actions of his employees, the actions of his agents and the actions of his business invitees.

26. **Entire Agreement.** The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by both parties.

Signed this ____ day of _____, 2006.

White Mountain Plaza

By _____
Lessee (Tenant)

By _____
Lessor (Landlord)

By _____
Lessee (Tenant)

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