

**Date:** \_\_\_\_\_

## **Section 1 Premises**

### **1.01 Acceptance of Premises.**

Occupying all or any portion of the Premises by Tenant shall demonstrate that the Premises are in satisfactory condition and acceptable to Tenant. Any defects or deficiencies must be reported in writing to Landlord within five (5) days after Tenant's occupancy.

### **1.02 Premises.**

For the purpose of this Lease Agreement, "Premises" shall mean the space identified on the cover page of this Lease. If applicable, the Premises are outlined on Exhibit A attached. Landlord also grants Tenant the rights under this Lease to use in common with Landlord and other tenants, occupants and visitors the common walkways and sidewalks of the property, entrances, stairs, hallways, toilets, and other common facilities. Landlord reserves the right to change the size, height, layout, or location of the common areas and facilities. No easement, license or other right to light, air, or view is created by this Lease. The Premises do not include the exterior surfaces of the Building, the roof of the Building or the airspace or plenum between finished and structural ceilings or floors. All space in or adjacent to the Premises used for utilities and other Building facilities, and access thereto through the Premises, is reserved to Landlord. Any advertizing or promotional use of common or exterior space is prohibited without written approval from the Landlord.

## **Section 2 RENT; SECURITY DEPOSIT; LANDLORD'S LIEN**

### **2.01 Rent; When Due; Where Paid.**

All monies payable by Tenant to Landlord under this Lease shall be deemed to be rent, and Landlord shall have all rights against Tenant for default in any such payment. Rent shall be paid to Landlord in advance, on the date and for the amount listed on the Cover Page of this Lease. Tenant shall pay rent at the address of Landlord as listed on the cover page. Tenant's obligation to pay all rent due under this Lease shall survive the expiration or earlier termination of this Lease. Should this Lease commence on a day other than the first day of the month or terminate on a day other than the last day of the month, the rent for such partial month shall be prorated based on a 365-day year.

#### **2.01.1 Interest Rate on Delinquencies.**

If Tenant fails to pay any rent when due, unpaid amounts shall bear interest from the date due until paid at the rate shown on the cover page of this Lease.

#### **2.01.2 Late Payment Charge.**

If Tenant fails to pay any rent when due, Tenant shall pay to Landlord, in addition to the interest provided for above, a late payment for each occurrence as shown on the cover page of this Lease.

### **2.02 Security Deposit.**

Tenant has deposited with Landlord the sum shown on the Cover Page as security for the full, timely and faithful performance by Tenant of its obligations under this Lease. Such security deposit shall not bear interest and shall not be considered an advance payment of rent or a maximum of Landlord's damages in case of default by Tenant. Landlord may use such security deposit to the extent necessary to cover any delinquencies in rent or any sum as to which Tenant is in default and any other damage, injury, expense or liability caused to Landlord by such default. Following any such application of the security deposit, Tenant shall pay to Landlord the amount so applied in order to restore the security deposit to its original amount. Any remaining balance of security deposit shall be returned by Landlord to Tenant upon termination of this Lease and after delivery of possession of the Premises to Landlord.

### **2.03 Landlord's Lien.**

In addition to the statutory landlord's lien, Tenant hereby grants to Landlord a security interest to secure payment of all rent or other sums of money due from Tenant. This lien will also secure payment of any damages or loss which Landlord may suffer if Tenant breaches any covenant, agreement, or condition contained herein. The lien shall be upon all goods, wares, fixtures, furniture, improvements, and other personal property of Tenant, and fixtures and improvements installed by Landlord or Tenant presently or hereafter situated on the Premises. Such property shall not be removed from the Premises without the consent of the Landlord until all sums of money due Landlord shall first have been paid. In addition to any other remedies provided herein upon an event of default, Landlord may enter the Premises and take possession of any and all goods, wares, equipment, fixtures, furniture, improvements, and other personal property of Tenant situated upon the premises without liability for trespass or conversion. The Landlord may sell the same at a public or private sale, with or without having such property at the sale, after giving Tenant reasonable notice as to the time and place of the sale. At such sale, Landlord or its assignees may purchase the property unless such purchase is otherwise prohibited by law. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is given to Tenant at the Premises at least fifteen (15) days prior to the time of the sale. The proceeds of such disposition, less all expenses connected with the taking of possession and sale of the property including a reasonable attorney's fee, shall be applied as a credit against the amount owed by the Tenant. Any surplus shall be paid to Tenant. Upon request, Tenant will execute and deliver to Landlord a financing statement in a form sufficient to perfect the security interest of Landlord in the aforementioned property and the proceeds thereof. The statutory lien for rent is not waived; the security interest herein granted is in addition and supplementary thereto.

## **Section 3 USE; RESTRICTIONS ON USE; BUILDING REGULATIONS; SERVICES BY LANDLORD**

### **3.01 Use.**

The Premises shall be used only for the use specified on the cover page of this Lease and for no other purpose. Tenant shall, at Tenant's expense, take all actions necessary to comply with all applicable laws, regulations, and ordinances existing or hereafter imposed by any governmental authority having jurisdiction over the Building, the Premises, Landlord or Tenant.

### **3.02 Restrictions on Use.**

Tenant shall not:

- Do or permit anything which will affect the insurance coverage on the Building or Premises.
- Do or permit to be done anything in the Building or on the Premises that may obstruct or interfere with the rights of other tenants or occupants of the Building.
- Use, allow, or permit use of the Premises for any improper, objectionable or unlawful purposes.
- Cause, maintain, or permit any nuisance in or about the Premises.
- Commit or permit any waste of utilities or materials to be committed in the Premises.
- Install in the Premises or bring into the Building any fixtures, equipment, furniture, materials, or other objects that will overload, damage, or obstruct any utility lines, heating or air conditioning equipment, or systems providing services to the Building or the Premises.
- Install in the Premises or bring into the Building any fixtures, equipment, furniture, materials, or other objects that will overload the floors in the Premises or in any way affect the structural capacity or design of the Premises or the Building.
- Install or affix any window coverings, window shades, draperies, or material on the Building standard window coverings without permission.
- Install, remove from, or move into the Premises any furniture, fixtures, equipment, materials, supplies, or other objects except on such day and at such time approved in advance by Landlord.

### **3.03 Building Regulations.**

Tenant shall obey all rules and regulations of the Building as described in Exhibit B or as imposed by Landlord during tenancy. Landlord shall have the right to make changes or additions to such rules and regulations. Landlord shall not be liable for failure of any Tenant to obey such rules and regulations. Failure by Landlord to enforce any current or subsequent rules or regulations shall not constitute a waiver thereof.

**3.04 Parking.** Unless specified, no parking facilities or spaces are included in this Lease.

## **Section 4 ASSIGNMENT; SUBLET;**

### **4.01 Assignment-Subletting.**

This Lease may not be assigned, sublet, or otherwise transferred by the Tenant or their representatives without written consent by the Landlord.

## **Section 5 MAINTENANCE AND REPAIRS; RIGHT OF ENTRY; ALTERATIONS; SIGNS**

### **5.01 Maintenance and Repairs by Tenant.**

Tenants shall repair all damage or injury to the Building or to fixtures, appurtenances, and equipment of the Building caused by Tenant's installation or removal of its property or resulting from any acts or conduct of Tenant, its employees, contractors, agents, licensees, or guests.

#### **5.01-1 Landlord's Right to Maintain or Repair.**

Tenant must perform any maintenance or repairs requested by Landlord within ten (10) days of notice, if such are the responsibility of the Tenant as provided by this Lease. If Tenant fails or refuses to perform such maintenance or repair within this period, Landlord may perform repairs or replacements at Tenant's expense. Failure to pay when due shall constitute nonpayment of rent.

#### **5.02 Landlord's Right of Entry.**

Tenant acknowledges and agrees that Landlord may enter the Premises at any time in the event of an emergency and at any reasonable time as follows: to examine and inspect; to show to prospective purchasers or Tenants; at any time Tenant is in breach of this Lease; and to perform repairs, alterations or other maintenance. Landlord agrees to use reasonable efforts to minimize the disturbance of Tenant or interference with Tenant's business.

#### **5.03 Maintenance by Landlord.**

Landlord shall have no duty to make any repairs or improvements to the Premises except those necessary for safety and tenantability. Such repairs necessitated by any act or neglect of Tenant, its agents, employees, or visitors shall be the Tenant's responsibility. Tenant waives the right to make repairs at Landlord's expense under any law, statute, or ordinance now or hereafter in effect. Landlord may make any repairs, alterations or improvements, which Landlord deems necessary or advisable for the preservation, safety, or improvement of the Building or the Premises.

#### **5.04 Alterations by Tenant.**

Tenant, at its own expense, may make changes, additions and improvements to the Premises provided that any change, addition or improvement shall be made only with prior written consent of Landlord and comply with all Landlord's requirements.

## **5.06 Liens.**

No liens by Tenants shall be allowed.

## **5.07 Signs.**

No signs are allowed without prior written permission from Landlord.

## **Section 6 INSURANCE; INDEMNITY**

### **6.01 Insurance by Tenant**

During the term of this Lease, Tenant shall provide Landlord with evidence, in a form acceptable to Landlord, of insurance coverage as set forth on the cover page or as requested by Landlord during Tenancy. All insurance policies provided and maintained by Tenant in compliance with Landlord's request shall be issued in a form and by an insurer acceptable to Landlord and shall name Landlord as additional insured.

### **6.02 Indemnity.**

Landlord shall not be liable for any injury or damage caused by flooding, discharge of sprinklers, heating and air conditioning equipment, fire, weather, extreme temperature, falling material, broken glass, sewage, gas, odors, noise, or bursting or leakage of pipes or plumbing fixtures upon or in the Building or adjacent premises. Tenant waives and releases all claims against Landlord, its employees, and agents for any injury or damage, caused by any repairs, alterations, or defects in or to the Building or the Premises. All property in the Building or Premises belonging to Tenant, its agents, employees, or invitees shall be there at the risk of Tenant. Tenant agrees to indemnify Landlord against claims for damage to, theft of, misappropriation of, or loss of said property.

## **Section 7 DAMAGE AND DESTRUCTION**

### **7.01 Damage and Repair.**

In the event the Building or the Premises is destroyed or rendered unusable either in whole or in part, Landlord may at its option restore the Building or Premises to as near their previous condition as is reasonably possible. Upon termination of this Lease as result of damage or destruction, the parties shall be released from further obligations except for unpaid rent or other monies owed. Landlord shall not be liable or responsible for any cost or damage caused by acts beyond their control, including weather, civil unrest, war, or natural disaster, and shall not be responsible for repair or replacement of Tenant's equipment, goods, or other property.

### **7.02 Business Interruption.**

No damages, compensation, or claim shall be payable by Landlord for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Building. Landlord shall use commercially reasonable efforts to effect such repairs promptly and in such manner as not to unreasonably interfere with Tenant's occupancy.

## **Section 8 SURRENDER OF PREMISES**

### **8.01 Surrender at Termination.**

Upon termination of this Lease whether caused by lapse of time or otherwise Tenant shall:

- (a) Remove Tenant's goods and effects at Tenants expense.
- (b) Deliver all keys to the Premises to Landlord.
- (c) Surrender at once possession of the Premises to Landlord.

If Tenant caused the Premises to be improved or altered outside of building standards, Tenant shall pay to Landlord an amount equal to the cost to replace all such non-standard items.

**8.02 Failure to Surrender.**

If possession of the Premises is not immediately surrendered, Landlord may take possession of the Premises and expel or remove Tenant and any other person occupying all or part of the Premises, by force if necessary, without civil or criminal liability.

**8.04 Removal of Furniture and Trade Fixtures-Abandonment.**

All furniture, movable trade fixtures, and equipment installed by Tenant may be removed by Tenant at termination of the Lease: All such removals shall be accomplished in a manner so as not to damage the Premises or the Building, including the plumbing, electrical lines, or other utilities. Any such furniture, movable trade fixtures, and equipment not promptly removed by Tenant shall be deemed abandoned and may be appropriated, sold, destroyed, or otherwise disposed of by Landlord without notice or compensation. Tenant shall pay Landlord all costs incurred by Landlord in connection with such abandonment.

**Section 9 GENERAL PROVISIONS**

**9.01 Waiver.**

No provisions of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing and is signed by Landlord.

**9.02 Attorneys' Fees.**

Tenant shall pay to Landlord upon demand all attorneys' fees, expenses, court costs, and all costs of any suit, trial or appeal thereof Incurred by Landlord in enforcing any of the obligations of Tenant under this Lease.

**9.03 Waiver of Jury Trial.** Landlord and Tenant hereby waive, to the extent not prohibited by law, the right to a jury trial in any action or proceeding between and among them or their successors arising out of this Lease or Tenant's occupancy of the Premises or its right to occupy the Premises. Tenant hereby waives the right to interpose a counterclaim in any proceeding instituted by Landlord against Tenant to terminate this Lease, to obtain possession of the Premises, or to recover rent.

**9.04 Designated Parties.** Landlord may, by written notice to Tenant, designate a person or firm as Landlord's manager and rental agent in all matters concerning this Lease, the Premises and the Building. Tenant shall recognize such person or firm designated and pay all rental, furnish all statements, and give any required notice to such designated person or firm.

**9.05 Authorization to Sign Lease.**

If Tenant is a corporation, partnership, or trust, each individual executing the Lease on behalf of Tenant represents and warrants that he/she is duly authorized to execute and deliver the Lease on behalf of Tenant.

**9.06 Governing Law.**

This Lease shall be governed by, construed and enforced in accordance with the laws of Minnesota.

**TENANT**

**LANDLORD**

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Exhibit B**  
**Building Rules and Regulations.**

- I. Tenant shall not obstruct or interfere with the rights of other tenants of the Building, or of persons having business in the Building, or in any way injure or annoy such Tenants or persons.
2. Tenant shall not use the Building for lodging, sleeping, cooking, or for any illegal purpose or for any purpose that will damage the Building or the reputation thereof or for any purposes other than those specified in the Lease.
3. Canvassing, soliciting and peddling in the Building are prohibited and Tenant shall cooperate to prevent such activities.
4. Tenant shall not bring or keep within the Building any animal, bicycle, or motorcycle without written permission.
5. Tenant shall not cook or prepare food, or place or use any inflammable, combustible, explosive or hazardous fluid, chemical, device, substance or material in or about the Building without the prior written consent of Landlord. Tenant must follow all applicable rules and regulations set forth by the Fire Marshall or other agency.
6. Tenant shall not deposit any trash, refuse, or other substances of any kind within or out of the Building, except in the refuse containers provided therefore. Any unattended items left in common areas become property of Landlord, and costs for disposal will be charged to the Tenant.
12. Tenant shall use the common areas as a means of ingress and egress only. Storage or other use of common hallways, driving lanes, stairs, walkways, or other areas is not permitted. Blocking of fire lanes, doors, or emergency exits is not permitted.
13. Tenant shall use the washrooms, restrooms, and plumbing fixtures of the Building only for the purposes for which they were constructed.
14. Tenant shall not mark, paint, drill into, cut, string wires within, or in any way deface any part of the Building, without the prior written consent of Landlord and as Landlord may direct.
16. Tenant shall not obstruct, alter, or in any way impair the efficient operation of Landlord's heating, ventilating, air conditioning, electrical, fire, safety, or lighting systems, nor shall Tenant change the setting of any thermostat or temperature control valves in the Building.
17. Subject to applicable fire or other safety regulations, all doors opening onto Common Areas and all doors upon the perimeter of the Premises shall be kept closed and locked during nonbusiness hours, except when in use for ingress or egress.
18. Employees of Landlord shall not render free or paid services to Tenant. In the event that any of Landlord's employees perform any such services, such employees shall be deemed to be the agents of Tenant regardless of payment. Tenant hereby indemnifies and holds Landlord harmless from any and all liability in connection with any such services.
19. Tenant shall not make duplicate copies of keys provided by Landlord. Tenant shall not install additional locks or bolts of any kind, nor make any changes in existing locks. In the event of the loss of any key furnished to Tenant by Landlord, Tenant shall pay to Landlord the cost of replacing the same or of changing the locks opened by such lost key.
22. Premises shall not be used for the use, storage, generation, or disposal of Hazardous Materials, except ordinary janitorial and office products used and stored in the proper manner, in the usual and customary quantities, and in compliance with all laws, including, without limitation, Environmental Laws.

**Exhibit C**

**Personal Guarantee.**

In consideration of the making of this Lease by the Landlord with the Tenant at the request of the undersigned and in reliance on this Guaranty, the undersigned, and each of them jointly and severally, hereby guarantees the payment of the rent to be paid by the Tenant and the performance by the Tenant of all the terms, conditions, covenants and agreements of the Lease. The undersigned promises to pay all the Landlord's expenses, including reasonable attorneys' fees, incurred by the Landlord in enforcing all obligations of the Tenant under the Lease or incurred by the Landlord in enforcing this Guaranty. The Landlord's consent to any assignment or assignments and successive assignments by the Tenant and Tenant's assignees of this Lease, made either with or without notice to the undersigned, or a changed or different use of the demised Premises, or Landlord's forbearance, delays, extensions of time, or any other reason whether similar to or different from the foregoing shall not release the undersigned from liability as Guarantor.

Dated \_\_\_\_\_

Guarantor \_\_\_\_\_