

BRYSON VILLAGE, L.L.C.

LEASE AGREEMENT

This Agreement entered into this _____ day of _____, 20____
by and between Bryson Village, L.L.C. ("Landlord") and _____
_____ ("Tenant").

WHEREAS:

- A. Landlord is the Tenant in a Commercial Lease Agreement with Washington Preservation, L.L.C. ("Owner") for a portion of the building located at 101 S. Marion Avenue, Washington, Iowa and legally described as 'The North 40 feet of Lot 1, Block 14 of the Original Plat, City of Washington' designated as Commercial 1 being the front portion of the first floor of said building.
- B. That Landlord and Tenants propose to operate a group of shops in said premises for the sale of retail merchandise. The tenants desire to lease the space for their respective shops from Landlord at the rental price and upon the covenants, conditions and provisions hereinafter set forth.

THEREFORE, in consideration of the mutual promises herein and other good and valuable consideration IT IS AGREED:

1. TERM.

- a. Landlord hereby leases the space designated as Shop # _____ for a term of 12 months beginning the 1st day of June, 20____ and ending on the 31st day of May, 20____.

2. RENTAL.

- a. Tenants shall pay the Landlord during the term of the lease, rental of \$ _____ per month payable on the 10th day of each month beginning on the 10th day of June, 20____. Rent will be deducted from sales. If sales are insufficient, the balance will be due by the 10th of the month.
- b. In addition, Tenants shall pay the Landlord an amount equal to the monthly rental as a security deposit which will be returned upon termination of this lease, less amounts needed to repair damage and pay unpaid rent.
- c. There is no charge to Tenant for use of window space or courtyard. Landlord retains control of these areas, including the facades of the shops and any monies derived from courtyard sales, subject to the Operating Rules referenced and made a part of this lease agreement at paragraph 12 herein.

3. **USE.** Tenants shall use these premises for the purpose of retail sale of merchandise to the general public and for no other purpose.

4. **SUBLEASE AND ASSIGNMENT.** Tenants shall not assign this lease or enter into a Sublease with any person or entity without prior written consent of Landlord.

5. **REPAIRS.** During the lease term, Tenants shall make, at Tenants expense, all necessary repairs to the interior of their shop. Owner has agreed, in the Main Lease to repair major mechanical systems and the exterior of the building.

6. **IMPROVEMENTS.** Tenant may purchase and own their display fixtures and temporary installations in the shop and may remove them at the termination of this lease provided that all damage to the premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. **INSURANCE.**

- a. Tenant is responsible for obtaining insurance covering improvements, equipment, machinery, supplies and inventory in the shop. Owner has agreed, in the Main Lease, to provide fire and extended coverage on the building.
- b. Landlord will provide liability insurance for the entrance and courtyard.

8. **UTILITIES, EQUIPMENT and SUPPLIES.** Landlord will provide the following:

- a. Electric and gas. Landlord shall determine the thermostat settings.
- b. Basic telephone charges.
- c. Equipment and supplies necessary to operate the business. Necessity for these items will be determined and purchased only by Landlord.
- d. Weekly Journal classified advertising same as current.
- e. Dues to organizations as determined by Landlord.
- f. Additional advertising and dues and all consumable supplies, such as gift bags, tissue paper, paper for cash register and copy machine, bathroom supplies, labels, display items for middle window, if necessary, gifts for subs, plants in alcove and website expense, if necessary, shall be shared by the shop Tenants in proportion to the square feet occupied by their merchandise.
- g. Monthly window cleaning.

9. **ENTRY.** Landlord shall have the right to enter upon the lease premises at reasonable hours to inspect the same, provided that Landlord shall not unreasonably interfere with Tenants business on the lease premises.

10. **DAMAGE and DESTRUCTION.** If the leased premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects so that the

same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the leased premises, and if such damage does not render the leased premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost to the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the leased premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the leased premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

11. **DEFAULT.** If any default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this lease ended and terminated by giving Tenant written notice of such intention, and if possession of the leased premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

12. **BRYSON VILLAGE SHOPS.** Tenants shall comply with all of the Operating Rules of Bryson Village Shops, an unincorporated, non-partnership, cooperative joint venture of all of the shop owners, attached hereto and made a part hereof.

BRYSON VILLAGE, L.L.C.

By _____
Cathy Lloyd, Landlord

, Tenant