

Commercial Lease Agreement

In consideration of the promises set forth in this Agreement, the Landlord leases the Premises and use of the Common Areas to the Tenants and the Tenant leases the Premises and use of the Common Areas from the Landlord according to the following terms and conditions:

1. Premises.

A. Premises. The Tenant leases office # _____ located on the property at 111 E. 12th St. Ada, Oklahoma, with limited rights of access to the Common Areas of the property. "Common Areas" refers to the areas of Real Property which are for the comfort and use of all tenants of the property and their invitees (such as hallways, bathrooms, stairways, break room, patio, conference room, etc.). The Tenant may only use the Premises as office space and no other use is permitted without the written consent of the Landlord.

B. Restricted Use. Neither the Tenant nor any Invitee shall use the Premises in any manner that is disreputable, criminal, or hazardous as determined in the sole discretion of the Landlord. The Tenant shall pay the Landlord additional rent upon written Notice of the amount of any increase in the Landlord's insurance caused by things done or kept in the Premises by the Tenant.

C. Acceptance of the Premises. By taking possession of the Premises, the Tenant is deemed to have accepted the Premises and the Common Areas in their current "As Is" condition and to have waived any and all defects therein.

2. Term.

A. Initial Term. The initial term of this Lease shall be from _____ ending on _____ (the "Initial Term").

B. Notice of Termination. If either party desires to terminate the Lease at the expiration of the Initial Term, the terminating party shall serve Notice at least three months prior to the expiration of the Initial Term. If Notice is properly given, the Tenant shall Surrender Possession at the expiration of the Initial Term.

C. Automatic Renewal. If a party fails to serve Notice of Termination by the time stated herein, the Lease shall automatically renew for a period of one-year (the "Renewal Term") under the same provisions of the Lease.

D. "Surrender Possession" shall mean that the Tenant shall quit its occupancy and use of the Premises and Common Areas and surrender the Premises to the Landlord in as good of a condition as when the Tenant took possession, less normal wear and tear, and deliver all keys to the Landlord.

3. Security Deposit.

A. **Security Deposit.** Tenant shall pay the amount of \$275.00 as security for the full performance by the Tenant of each and every term of the Lease. The Security Deposit is not an advance payment of Rent or a measure or limit of the Landlord's damages upon Default.

B. **Return of Deposit.** In the event that the Tenant fully and faithfully complies with all terms of the Lease, the Security Deposit or the balance thereof shall be returned to the Tenant. The Tenant shall not be entitled to any interest on the Security Deposit.

C. **Application of Deposit.** In the event that the Tenant Defaults, the Landlord may apply, or retain the whole or any part of the Security Deposit to any actual damages sustained by the Landlord. The Tenant shall immediately replenish the Security Deposit upon Notice.

D. **Transfer of Deposit Upon Sale.** In the event of the ownership of the Real Property, the Landlord shall transfer the Security Deposit to the transferee for the benefit of the Tenant and the Landlord shall be released by the Tenant from all liability for the return of the Security Deposit.

4. Rent and Fees

A. **Rent.** Tenant shall pay \$_____ per month on the first day of every month for the first year and increasing by 3% on each one-year anniversary ("Rent"). Tenant shall Pay in advance and deliver to the Landlord by the first day of each month throughout the Term.

B. **Fees.** The following fees shall be Paid immediately upon Notice to the Tenant:

(1) **Returned Check or Transfer Fee.** In the event any checks or electronic transfer tendered by the Tenant is returned for insufficient funds, Tenant shall pay a fee of \$25.00 for each returned check or electronic transfer..

(2) **Late Fee.** Tenant shall pay a fee of 2% each day for every day that the Tenant has a past due unpaid balance (the "Late Fee"). Payment of the Late Fee, or acceptance by the Landlord, shall not be deemed to be a waiver of relinquishment by the Landlord of any of its rights or remedies under the Lease.

(3) **Rules and Regulation Fee.** In the event that the Tenant violates any of the Rules, the Tenant shall pay a fee of 2% each day for every day that the Tenant is in violation.

(4) **Name Plate.** If the Tenant elects to have a name plate or stenciling, the Tenant shall pay a fee of \$30.

C. Covered Expenses.

(1) **Utilities.** The Landlord shall be responsible for the payment of the gas, electric, water and trash for the Real Property.

(2) **Internet.** The Premises are equipped with wireless internet services. Hard line internet and private networks are available at no additional fee.

(3) **Ad Valorem Taxes.** The Landlord shall be responsible for the payment of the ad valorem taxes on the Real Property.

5. Rules and Regulations.

A. Rules. The Landlord shall have the right to promulgate and, from time to time, modify Rules for the Premises, Common Areas, Public Area and Real Property as the Landlord may reasonably deem necessary, advisable or appropriate so as to provide for the safety, care, cleanliness, preservation and protection of the Premises or to provide for the good order, safety, and quiet enjoyment of nearby Persons or properties. Tenant shall fully abide by the Rules and shall ensure that Invitees fully abide by the Rules. A copy of the most current Rules is attached. Any changes to the Rules shall be delivered to the Tenant.

B. Regulations. Tenant, at Tenant's sole expense, shall comply with all laws, ordinances, orders, and regulations of all State, Federal, Municipal, and sub-Governmental entities affecting the Premises or the Tenant's operation in the Premises. Tenant shall procure, at its own expense, all permits and licenses required for the transaction of its business in the Premises.

C. Abatement. If Tenant is not in compliance with any Rule or Regulation and such violation may be abated by the Landlord, the Landlord may enter the Premises and abate the violation. The Tenant shall reimburse the Landlord for all costs associated with the abatement. The Tenant shall indemnify and hold the Landlord harmless for any damages resulting to the Tenant or any Person by such abatement.

6. Default and Remedies.

A. Default. The Tenant shall be in "Default" if any one or more of the following occurs:

- (1) The Tenant fails to Pay any Rent or Fee when it is due;
- (2) The Tenant fails to comply with any of the Rules or Regulations;
- (3) The Tenant fails to perform any act or covenant under the Lease;
- (4) The Tenant files for bankruptcy or is declared to be insolvent by a court of competent jurisdiction;
- (5) The Tenant abandons any portion of Premises;
- (6) An assignment is made of the Tenant's personal property for the benefit of creditors.

(7) A receiver or trustee is appointed for the Tenant.

B. Notice to Quit. Upon the occurrence of Default, the Landlord shall give the Tenant ten (10) days to cure such defect by placing written notice in a conspicuous location on the Premises.

C. Remedies. If Tenant fails to cure any Default after receiving Notice to Quit stated in section 7(B), the Landlord shall have the option to do any combination of the following, without any notice or demand to the Tenant, in addition to and not in limitation of any other remedy permitted by law or by the Lease.

(1) **Termination.** The Landlord may terminate the Lease, in which event the Tenant shall immediately Surrender Possession. If the Tenant fails to do so, the Landlord may enter and take possession of the Premises and remove the Tenant and the Tenant's personal property without being subject to any claim for damages. The Tenant shall pay the Landlord all costs incurred by the Landlord in any such action.

(2) **Re-Letting.** The Landlord shall have no duty to re-let the Premises, and the failure of the Landlord to relet the Premises shall not release nor affect the Tenant's liability for Rent and Fees for the entire Term of the Lease. In the event the Landlord elects to re-let the Premises, the Tenant shall Pay all costs associated with the re-letting of the Premises including costs of advertising and brokerage fees. The Tenant shall pay all Rent and Fees owed under the Lease for the entire Term less any net income received in re-letting.

(3) **Acceleration.** The Landlord may declare the entire amount of Rent remaining in the Term immediately due and Tenant shall immediately Pay the entire amount. If the Tenant fails to pay the entire amount, the Tenant shall pay 18% interest per annum on the remaining balance.

(4) **Acceptance of Rent and Fees.** Landlord's acceptance of any amount of Rent or Fees shall not be deemed to be a waiver of the Landlord's rights regarding Default, nor shall it be considered accord and satisfaction.

(5) **Attorney Fees.** If a lawsuit is brought as a result of a Default, all costs and reasonable attorney fees shall be paid to the prevailing party.

(6) **Remedies Cumulative.** The various rights, powers, elections and remedies of the parties hereto shall be considered as cumulative, and no one of them is exclusive of the others or exclusive of any right or power allowed by law, and no right shall be exhausted by being exercised on one or more occasions.

7. Loss of Use

A. Tenant Not Cause of Damage. If the Premises becomes damaged by fire, water or any cause whatsoever without being attributable to the acts or omissions of the Tenant or Invitee, then the damages to the Premises shall be repaired by

and at the expense of Landlord.

(1) **Partial Damage.** If the Premises are partially damaged, then the Tenant shall continue to pay Rent proportionally for the undamaged portion of the Premises. The Landlord shall repair the Premises within three months of the date of loss.

(2) **Complete Loss.** If the Premises are so severely damaged that repairs would be impractical to complete within three months, then the Tenant shall be relieved of further obligation under this Lease, except for Rent and Fees owed prior to the loss.

B. Tenant Cause of Damage. If the Premises become damaged by fire, water or any cause whatsoever, in whole or in part, and can reasonably be attributed to the act or omission of the Tenant or Invitee, then the damages to the Premises shall be repaired by and at the expense of Tenant. The Tenant shall continue to pay the full amount of Rent and Fees to the Landlord for the remainder of the Term as if the Premises were not damaged.

C. Notice of Damage. Within two weeks of any loss, the Tenant shall provide Notice to the Landlord of the loss and shall state the exact reason why the damages were not the fault of the Tenant or an Invitee. If the Tenant fails to state this reason, the damages will be deemed to be the direct or proximate cause of the Tenant or Invitee.

D. Eminent Domain. Tenant agrees that the Landlord may convey portions of the Real Property for easements and right-of-ways. If a portion of the Premises are taken for any public or quasi-public use under any statute or right of eminent domain, and the taking is large enough that the Tenant's ability to carry on its business would be impossible, then the Lease shall automatically terminate as of the date that title shall be taken. The Landlord shall receive the entire award or other compensation for a taking by eminent domain. The Tenant shall separately pursue damages against the condemning government for any loss to the Tenant.

8. Insurance, Liability and Indemnification

A. Insurance. Tenant, at Tenant's expense, shall maintain, at a minimum and without interruption, throughout the term of the Lease, (a) insurance covering the full value of Tenant's personal property and (b) worker's compensation insurance covering all of the Tenant's employees. The Landlord shall be named as the additional insured on the policies.

B. Liability. Neither the Landlord nor the Landlord's Agents shall be liable to the Tenant or any Person for any losses, costs, expenses, damages, theft, or vandalism of any personal property unless such damage was directly caused by the gross negligence of the Landlord. Neither the Landlord nor the Landlord's Agents shall be liable to the Tenant or any Person for any damage to a Person or personal property resulting from any act or omission whatsoever, including but not limited to fire,

explosion, water, falling objects, slips or falls, steam, rain, ice snow glass, electricity, water leaks, unless such damage was directly caused by the gross negligence of the Landlord. Neither the Landlord, nor the Landlord's Agents shall ever be liable to the Tenant or any Person for any Act of God.

C. Indemnification of Landlord. The Tenant shall defend, indemnify, and hold harmless the Landlord and the Landlord's Agents from and against all claims, demands, liabilities, causes of action, lawsuits, disputes, allegations, investigations, judgments, controversies, petitions, fines, damages and expenses (including, but not limited to, attorney fees and all litigation expenses) alleged to be caused by, or arising from any act, or omission of the Tenant or Invitees, or act or omission arising from a breach by any provision of the Lease by the Tenant or Invitees. If any proceeding is filed for which indemnity is required, the Tenant shall defend the Landlord and the Landlord's Agents at the Tenant's expense by an attorney satisfactory to the Landlord. In the event the Tenant fails to notify the Landlord of any casualty, accident or loss on the premises within ten (10) days of the date of loss, and for which the loss may be the cause of Landlord's negligence, the Tenant shall indemnify, and hold harmless the Landlord and the Landlord's Agents from and against all claims, demands, liabilities, causes of action, lawsuits, disputes, allegations, investigations, judgments, controversies, petitions, fines, damages and expenses (including, but not limited to, attorney fees and all litigation expenses) alleged to be caused by any act or omission arising out of negligence of the Landlord or the Landlord's Agents.

D. Indemnification of Tenant. The Landlord shall defend, indemnify, and hold harmless the Tenant from judgments finding the Landlord guilty of gross negligence. The Tenant shall notify the Landlord of any casualty, accident, or loss occurring in the Premises which may be the cause of the Landlord's gross negligence within ten (10) days of the event or date of loss. If the Tenant fails to notify in accordance with this subsection, the Landlord shall not be required to indemnify the Tenant as stated in this subsection.

E. Survival of this Section. This section shall survive the expiration or termination of the Lease.

9. Personal Property

A. Personal Property Taxes. The Tenant shall be liable and shall pay all taxes levied against personal property related to the Premises.

B. Abandoned Personal Property. All personal property not removed by the Tenant from the Premises after Surrender of Possession shall be conclusively presumed to have been abandoned by the Tenant, and the Landlord may dispose of the personal property by any means the Landlord determines.

10. **Improvements and Maintenance.**

A. Tenant's Responsibilities. No alterations, additions, or improvements shall be made to the Premises or Common Areas by the Tenant without approval from the Landlord.

B. Landlord's Responsibilities. The Landlord makes no representations as to any future improvements to the Common Areas or Real Property. The Landlord shall maintain all parts of the Real Property and make repairs. In the event that damage is caused to the Real Property as a proximate cause of the Tenant or Invitees, the Tenant shall reimburse the Tenant for such repairs. Landlord shall be responsible for pest control for the Real Property.

11. **General Provisions**

A. "Notice" shall mean by email to the email address listed on the signature page.

B. Jurisdiction and Venue. Any lawsuit brought for the enforcement or damages under the Lease shall only be brought in the State of Oklahoma and shall only be brought in the District Court of Cleveland County. The parties expressly waive any right to bring an action in Federal Court or the county where the real property is located.

C. Modification. No modification of the terms and conditions of the Lease shall be effective unless reduced to writing and executed by the parties hereto.

D. Time is of the Essence. Time shall be of the essence with respect to the performance by the parties of their respective obligations hereunder.

E. Consent to Breach. Any assent, expressed or implied, to any breach of any covenant or condition herein shall operate as such only in the specific instance and shall not be construed as an assent or waiver of any condition or covenant generally, or any subsequent breach thereof.

F. Entry. The Landlord may, at any reasonable time with reasonable Notice for the circumstance, enter the Premises for the purpose of showing the Premises for lease, or to inspect the Premises.

G. Assignment and Subletting. The Tenant shall not assign the Lease nor sublet the Premises or any portion thereof, without the written consent of the Landlord.

H. Transfer of Ownership. If the Landlord transfers its interest in the Real Property, the Landlord shall be released from any further obligation under this Lease and the Tenant agrees to look solely to the transferee for the performance of the obligations under the Lease.

I. Confidentiality. The Tenant shall not disclose any of the terms or conditions of the Lease to any Person except Tenant's Banker, CPA, Accountant, Business Coach or with permission from the Landlord.

Agreed on _____, _____

"Landlord":

"Tenant":

Brandy Kaeshoefer
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