

COMMERCIAL OFFICE LEASE

**STATE OF ALABAMA
LEE COUNTY**

This lease made this _____ day of _____ by and between _____ (Landlord), and _____ (Tenant), on the terms, covenants, and conditions set forth below.

TERMINOLOGY USED IN THIS LEASE

PROJECT: This term means all of the land and improvements comprising the _____.

Owner: The legal owner of the project.

Agent: The Owner's representative or Managing Agent. The Agent is authorized by the Owner to act on the Owner's behalf subject to certain limiting provisions agreed upon by the Owner and Agent.

Landlord: When the term Landlord is encountered in this lease, the term refers to the Owner.

Tenant: This term refers to the party identified above as Tenant together with any sub-lessee or assignee permitted under this lease.

Leased premises or premises: This term means the part of the project to which the tenant is given exclusive possession. In this Instance, exclusive possession is for _____.

Common Area: The term "common area" means parking areas, sidewalks, landscaped areas, delivery areas, trash removal areas, main project sign, and all other areas designated by Landlord for the nonexclusive common use of the tenants and their employees, invitees, customers, and other visitors.

Common Area Expenses: Those expenses associated with operating, repairing, replacing, maintaining, and improving the common area. These expenses also include utilities that serve the common areas.

THE LEASE

Tenant promises to lease from Landlord and Landlord promises to lease to Tenant the premises described below and shown on the Site Plan in **Exhibit A**:

1 USE: Tenant must use the premises for office use/_____ and for no other purpose during the term of this lease.

2 TERM: This lease will commence on _____. This lease will end on _____. If Tenant continues to occupy the premises after the expiration of this lease without a new lease or other written document attesting to an extension of this lease and signed by all parties, such occupancy will be considered a Tenancy at Sufferance and rents shall be doubled until such time that tenant vacates the premises or executes a new lease or lease renewal. In no case, however, shall tenant vacate the premises without giving Landlord thirty (30) days prior written notice after the initial term of the lease.

3-1 RENT: Rent is due, in advance, on the first day of each month. Rent and other charges pursuant to this lease not paid by the fifth (5th) day of the month will be subject to a late fee of ten percent (10%), minimum \$35, of the unpaid rent and other charges. Rent must be paid by check, cashier's check, or money order. The instrument of payment must be convertible to lawful currency of the United States of America. All payments must be mailed or delivered to Managing Agent at the address shown below. All checks must be made payable to Managing Agent at:

Liberty Properties
P.O. Box 2225
Auburn, AL 36831

In consideration of Landlord leasing to Tenant, Tenant agrees to pay Landlord during the lease term from:

for a total lease amount of:

Tenant may take possession of premises prior to _____ by paying prorated rent of _____ per day.

3-2 OPTION TO RENEW LEASE: The following options shall be extended provided that the Tenant is not in default of this lease, and Tenant notifies landlord of intention to exercise this

option to extend no less than ninety (90) days prior to expiration of each current term and Tenant agrees to pay Landlord during these periods:

Option 1: _____

4 QUIET ENJOYMENT: In consideration of Tenant's agreement to pay rent, Landlord agrees to use due diligence and effort to place and keep Tenant in quiet possession of the premises. Landlord will not be liable for loss of possession by eminent domain.

5 CONDITION OF THE PREMISES: Tenant has inspected the premises. Tenant agrees to lease the premises in "as is" condition, unless otherwise specified herein. Landlord or Landlord's agents have made no representations with respect to the premises except as outlined in this lease. Nothing in this lease will be construed as a warranty that the premises are in good condition or are fit for a particular purpose.

6 MAINTENANCE AND REPAIR OF THE PREMISES: Landlord agrees to repair, maintain, or replace (as needed) the following items, provided Tenant promptly informs Managing Agent of items in need of repair and Landlord shall not be liable for any loss or damage by failure or delay to make such repairs:

1. Roof
2. Exterior Structure of Building
3. Heating and Cooling Systems
4. Plumbing below Ground
5. Electrical Systems, WITH THE EXCEPTION OF interior lighting fixtures, ballasts, bulbs and tubes, interior lighting switches, interior circuit breakers, and interior wall outlets, and wiring associated with these items.

Tenant agrees to perform all other maintenance and make all other repairs necessary to keep the premises clean, safe, and in good repair, i.e., plumbing blockage due to tenant usage and HVAC filters. Landlord and Landlord's Agents will have the right to require Tenant to make certain repairs consistent with the foregoing objective. Should glass breakage or other damage occur to the leased premises due to vandalism or breaking and entering, Tenant shall promptly repair same. If Tenant refuses to make such repairs, Landlord and Landlord's Agents may make the repairs on the behalf of Tenant. Tenant agrees to pay the cost of any repairs made on its behalf. If proper notice is not given to Landlord or Landlord's Agents regarding a repair and the repair causes unforeseen damage to the unit the tenant is responsible for returning the premises to proper condition. All repairs made by Tenant must be performed in accordance with any applicable state and local laws, codes, and ordinances.

7 INSTALLATION OF EQUIPMENT, FIXTURES, AND SIGNS: Tenant may install equipment, fixtures, and signs on or about the leased premises. Any installation of equipment or signage on the building must be approved, in writing, in advance, by Managing Agent and pass all local sign laws, codes and ordinances. Any damage to the premises caused by removal of equipment, fixtures, or signs must be repaired by Tenant.

8 INSPECTION AND SHOWING: Landlord's Agents may post signs advertising the premises as being for sale or rent at any time during the lease term. Landlord or Landlord's Agents may enter and inspect or repair the premises any time during the term of this lease during reasonable business hours.

9 ALTERATIONS AND IMPROVEMENTS: Tenant will not make any alterations or improvements to the premises without the prior approval of Managing Agent. If required by Managing Agent, Tenant will submit plans and specifications for the work to be performed bearing a licensed architect's or engineer's stamp suitable to Managing Agent. Any contractors performing the work must be suitable to Managing Agent and submit proof of city business licenses and workman's compensation coverage.

10 COMPLIANCE WITH THE LAW: Tenant promises to comply with all Federal, State, and Local laws, ordinances, codes and regulations affecting the premises or Tenant's use of the premises. Tenant shall not cause or permit to occur: Any violation of any Federal, State, or Local environmental and indoor air quality laws, regulations, and industry standards, including, without limitation, any restrictions on smoking in the workplace.

11 PUBLIC LIABILITY INSURANCE AND INDEMNITY: Tenant will, during the term of this lease, at its own expense, maintain and provide general liability insurance in an amount not less than One Million Dollars (\$1,000,000) single limit for the benefit and protection of Landlord and Tenant (said policy to name the Landlord and Agent as co-insured). Said policy will cover the leased premises, the sidewalks adjoining same premises and the other areas of the projected use by tenant. The use of the premises will not increase the cost of insurance. A copy of the policy must be delivered to Managing Agent upon request. If requested, proof of premium payments and renewals must be presented to Managing Agent. If, in consultation with insurance advisors, Landlord determines that insurance coverages need to be increased, Tenant must provide Managing Agent with proof of the additional coverage within 30 days after being notified of the required increase. The insurance policy must contain an undertaking by the Insurer to give Managing Agent no less than 30 days notice of any cancellation or change in the scope or amount of the policy. Tenant agrees to indemnify Landlord and Landlord's Agents against damage or injury arising out of any defect in the premises or any equipment or fixtures in or around the leased premises. Tenant also agrees to indemnify Landlord and Landlord's Agents against all demands, claims, suits, or expenses caused by Tenant's default under this lease. Tenant further agrees to indemnify Landlord and Landlord's Agents against demands, claims, suits, or expenses associated with injuries to persons while in or around the lease premises. Any property stored in or around the leased premises will be at the sole risk of Tenant.

12 DEFAULT AND REMEDIES: Tenant, at Landlord's discretion, will be declared in default if Tenant violates any stipulation of this lease. In addition, the following items will be considered events of default:

1. Tenant makes an assignment for the benefit of creditors.
2. Tenant files a Petition in Bankruptcy.
3. Abandonment of the premises.

4. Removal of equipment, fixtures, or goods not in the course of normal trade.
5. Failure to pay rent as required and specified in the lease.

If Tenant is declared in default of this lease, Landlord will have the following remedies:

1. Accelerate all rents due under this lease. In the case of acceleration, all rents scheduled under this lease will immediately become due and payable. No notice is required to exercise this remedy.
2. Upon twenty-four (24) hours written notice, terminate this lease.
3. Upon twenty-four (24) hours written notice, terminate Tenant's right of possession.

After proper notice is given, Landlord or Landlord's agent may re-enter and re-lease the premises. The proceeds from re-leasing will be applied to Tenant's liability up to the amount due under this lease. Lease termination, termination of possessor interest, or re-leasing will not relieve Tenant from liability under this lease. No notice will be required for Landlord to exercise any of the above remedies if Tenant abandons the premises. Tenant agrees to pay the costs of collection and enforcement of the provisions of this lease including a reasonable attorney's fee.

13 FIRE AND OTHER CASUALTY: If the premises made completely untenable by fire or other casualty, Landlord will decide whether or not to restore the premises within forty-five (45) days of date of such casualty. Tenant will not be required to pay rent until the premises are restored. If Landlord chooses not to restore the premises, this lease will terminate and all parties will be relieved of further liability. If Landlord does choose to restore the premises, then rent payment will commence when the premises are made tenable once again. If the premises are made partially untenable, rent will abate proportionately according to the percentage of the premises made partially untenable. Full rent payment will begin once the premises are made tenable again.

14 SUBLETTING AND ASSIGNMENT: Tenant may not sublet or assign the premises without the advance written consent of Landlord or Landlord's Agent. Such consent will not be unreasonably withheld. Subletting and assignment will not relieve Tenant of liability under this lease. Tenant agrees to pay a sub-lease fee of \$100.00 to agent for processing any sub-lease. This fee is payment for Agent's time and effort and is not deemed to be a deposit or rental payment. Once a Lease is signed by Lessee, and upon written notification of intent to vacate, a marketing fee of minimum one month rent and up to two months rent will be charged by Lessor to locate tenants to lease or sublease although Lessor is not obligated to locate tenants.

15 NOTICES: All notices pursuant to this lease must be in writing and either hand delivered, mailed, or posted to the door of the leased premises. Mailed notices will be considered effective upon deposit in an appropriate receptacle of the U. S. Postal Service or UPS or FEDEX. All notices intended for Landlord must be addressed to Managing Agent and sent to the following address:

Liberty Properties
P.O. Box 2225
Auburn, AL 36831

The Tenant's address for notices is:

16-1 PROPERTY OF TENANT: Tenant agrees that all property owned by it in, on or about the Demised Premises shall be at the sole risk and hazard of the Tenant. Landlord shall not be liable or responsible for any loss of or damage to Tenant, or anyone claiming under or through tenant, or otherwise, whether caused by or resulting from a peril required to be insured hereunder, or from water, steam, gas, plumbing, electricity or electrical apparatus, the elements or other similar causes, and whether or not originating in the Demised Premises or elsewhere, irrespective of whether or not Landlord may be deemed to have been negligent with respect thereto, and provided such damage or loss is not the result of an intentional wrongful act of Landlord.

16-2 WAIVER OF SUBROGATION: Tenant agrees that, if any property owned by it and located in, on, or about the Demised Premises shall be damaged or destroyed by an insured peril, Landlord shall not have any liability to Tenant, nor to any insurer of Tenant, for or in respect of such damage or destruction, and Tenant shall require all policies of risk insurance carried by it on its property in, on and about the Demised Premises to contain or be endorsed with a provision in and by which the insurer designated therein shall waive its rights of subrogation against Landlord.

17 HOLDOVER: Should Tenant continue to occupy the premises after the expiration of this lease or after forfeiture incurred, such tenancy will be a tenancy at sufferance.

18 NON-WAIVER: The failure of Landlord to strictly insist upon compliance with the stipulations of this lease will not be construed as a waiver of Landlord's right to enforce such stipulations in the future. Landlord's receipt of rent when Landlord knows of a breach in any stipulation will not be deemed a waiver of such breach. All waivers of any stipulations of this lease must be evidenced in writing and must be signed by all parties.

19 CONDEMNATION: Landlord and Tenant agree that if all or any part of the leased premises is condemned (taken) by competent authority for public or quasi-public use, then this lease will terminate on the date when the appropriate authority requires possession of the part taken. In the case of a partial taking, such condemnation must prevent the leased premises from being used for the purpose set out in this lease. Otherwise, the lease will continue in force. If the lease is continued after a partial taking, the rent will abate proportionately as to the part taken. All compensation awarded for such taking of the building, the fee and the leasehold will belong to and be the property of Landlord; provided, however, that Landlord will not be entitled to any portion of the award made to Tenant for the value of Tenant's trade fixtures. Tenant will not be entitled to any damages for the unexpired portion of the term of this lease, or injury to its leasehold interest.

20 TAXES AND INSURANCE: Tenant must pay all taxes levied on Tenant's personal property or on any improvements made by Tenant. Tenant will not engage in any activity that will cause a decrease in the availability of insurance carried on the property by Landlord or increase the

premiums for such insurance. If tenants use causes an increase in insurance premiums due to a change in rating by the Insurance Service Office (ISO) or the insurers, the increase in premium due to the change in rating shall be payable by tenant as additional rent. Any such additional rent shall, at the discretion of managing Agent, be billed in either a lump sum or in periodic installments.

21 CONDITION OF PREMISES UPON TERMINATION OF LEASE: Tenant agrees to deliver the premises clean and in good condition upon termination of this lease. All carpet must be steam cleaned. All bathroom fixtures must be clean. All lighting fixtures and electrical systems for which Tenant is responsible must be operational. All light bulbs or fluorescent tubes must be in place and operational. All damages to the premises must be repaired. All electrical, plumbing, and mechanical systems for which Tenant is responsible must be delivered operational and in good repair. Floors must be swept clean and all debris and trash must be removed and placed in appropriate trash receptacles.

22 UTILITIES: Tenant is responsible for all utilities. If Landlord is responsible for payment of garbage collection, tenant shall use the dumpster only for office debris. No construction debris or refuse from manufacturing, shipping or other operations shall be placed in Landlords dumpster. Should Tenants business require garbage collection for such items, cost for removal shall be at Tenants expense.

23 SUBORDINATION: This lease will be subordinate to any existing and future mortgages (and any advances thereon) encumbering the premises. Tenant agrees to execute and deliver, within ten (10) days after written notice, any documents required by Landlord or Landlord's mortgagees attesting to the subordination of Tenant's leasehold interest. This lease must not be recorded unless required by law or any mortgagee of Landlord. Tenant must not do anything that would cause a lien or other encumbrance to the premises. If such a lien or encumbrance should occur, Tenant agrees to take steps to ensure its removal within thirty (30) days from occurrence.

24 SECURITY DEPOSIT: Tenant will be required to place a security deposit of _____. The security deposit shall not be applied as rent by tenant. This deposit will be held as security against Tenant's damages, if any, to the unit or violation of any of these stipulations of this lease. In the event tenant violates any of the stipulations of this lease, Landlord may retain the deposit as liquidated damages. Doing so, however, will not prevent the Landlord from collecting additional rents or charges pursuant to this lease. Any interest earned on these funds will accrue to the Managing Agent as an administrative fee.

25 RULES AND REGULATIONS: Tenant agrees to abide by any existing or future rules and regulations prescribed by Landlord or Managing Agent. A copy of current rules and regulations is shown in _____.

26 PARKING LOT: The use of the parking areas in and around the project will be non-exclusive and shared with Landlord, Managing Agent, other tenants, and the guests and

employees of these parties. Landlord reserves the right to provide for a limited number of exclusive/non-shared spaces as it deems appropriate.

27 ENVIRONMENTAL HAZARDS: "Hazardous substance" means any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, PCBs, or any other substances the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any and all federal, state, county, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. §§ 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.), as these laws have been amended or supplemented.

27-1 TENANT'S RESTRICTIONS: Tenant shall not cause or permit to occur: (i) Any violation of any federal, state, or local law, ordinance, or regulation now or hereafter enacted, related to environmental conditions on, under, or about the Premises, or arising from Tenant's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or (ii) The use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance on, under, or about the Premises, or the transportation to or from the Premises of any Hazardous Substance.

27-2 ENVIRONMENTAL CLEAN-UP: Tenant shall, at Tenant's own expense, comply with all laws regulating the use, generation, storage, transportation, or disposal of Hazardous Substances ("Laws").

Tenant shall, at Tenant's own expense, make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities (the "Authorities") under the Laws; provided that to the extent that either (i) any Hazardous Substances was not brought to the Premises by Tenant or (ii) the deposit, spill, discharge or other release of Hazardous Substances was not the direct result of any act or omission of Tenant, Tenant's agents, Tenant's contractors, subcontractors, or materialmen, Tenant shall not be responsible for the investigation or clean-up cost set forth herein.

Should any Authority or any third party demand that a cleanup plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of Hazardous Substances that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Tenant shall carry out all such cleanup plans; provided that to the extent that either (a) any Hazardous Substances was not brought to the Premises by Tenant or (b) the

deposit, spill, discharge or other release of Hazardous Substances was not the direct result of any act or omission of Tenant, Tenant's agents, Tenant's contractors, subcontractors, or material men, Tenant shall not be responsible for the investigation or clean-up cost set forth herein.

Tenant shall promptly provide all information regarding the use, generation, storage, transportation, or disposal of Hazardous Substances that is required by Landlord, if Tenant fails to fulfill any duty imposed under this section 27 within a reasonable time, Landlord may do so; and in such case, Tenant shall cooperate with Landlord in order to prepare all documents Landlord deems necessary or appropriate to determine the applicability of the Laws to the Premises and Tenant's use thereof, and for compliance therewith, and Tenant shall execute all documents promptly upon Landlord's request. No such action by Landlord and no attempt made by Landlord to mitigate damages under any Law shall constitute a waiver of any of Tenant's obligations under this section 27.

Tenant's obligations and liabilities under this Section 27.2 shall survive the expiration or early termination of this Lease.

27-3 TENANT'S INDEMNITY: Tenant shall indemnify, defend, and hold harmless Landlord, the manager of the property, and their respective officers, directors, beneficiaries, shareholders, partners, agents, and employees from all fines, suits, procedures, claims, and actions of every kind, and all costs associated therewith (including attorneys' and consultants' fees) arising out of or in any way connected with any deposit, spill, discharge, or other release of Hazardous Substances that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the premises, or from Tenant's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws and all other environmental laws, provided that to the extent that either (i) any Hazardous Substance was not brought to the Premises by Tenant or (ii) the deposit, spill, discharge or other release of Hazardous Substances was not the direct result of any act or omission of Tenant, Tenant's agents, Tenant's contractors, subcontractors, or material men, Tenant shall not be responsible for the investigation or clean-up cost set forth herein. Tenant's obligations and liabilities under this Section 27.3 shall survive the expiration or early termination of this Lease.

28 GUARANTOR: Guarantor (whether one or more persons, partnerships or corporations referred to herein as the "Guarantor") shall guarantee jointly and severally, the payment and performance of all of Tenant's obligations under the term of this Lease.

29 GUARANTY: As an inducement to the Landlord for entering into this Lease, Guarantor hereby guarantees to the Landlord, its successors and assigns, jointly and severally, the prompt and punctual performance and observance of each and every covenant, condition and agreement of this Lease to be performed and observed by the Tenant, its successors and assigns, including without limitation any and all payments and charges due by Tenant due hereunder, and expressly agrees that the validity of this Guaranty and the obligations of the Guarantor hereunder shall not be terminated, affected or impaired by the Landlord pursuing any of rights or remedies for a default by Tenant reserved to the Landlord pursuant to the provisions of this Lease, or by waiver by the Landlord of, or the failure of the Landlord to, enforce and indulgence or extension of time

to the Tenant, all of which may be given action or actions for payment, damages or performance against Grantor, or make demand upon Guarantor, whether or not an action is brought against Tenant and without exhausting all other remedies available to Landlord hereunder against Tenant or Guarantor. The undersigned further covenants and agrees that this Guaranty shall remain and continue in full force and effect as to any amendment, modification, renewal or extension by the Tenant of this Lease, to all of which the Guarantor hereby consents in advance. No assignment or transfer of this Lease unless otherwise agreed to by Landlord shall operate to extinguish or diminish the liability of the Guarantor under this Guaranty.

30 OTHER TERMS AND CONDITIONS: _____.

In witness to the above agreement, the parties shown below have set their hands and seals this day of , 2006:

WITNESS FOR LANDLORD:

LANDLORD: Liberty Properties

By:

Its:

WITNESS FOR TENANT:

TENANT:

By:

Its:

WITNESS FOR TENANT:

TENANT:

By:

Its:

WITNESS FOR GUARANTOR:

GUARANTOR:

By:

WITNESS FOR GUARANTOR:

GUARANTOR:

By:

EXHIBIT A

BUILDING LAYOUT

EXHIBIT B

RULES AND REGULATIONS

1. No items may be stored outside the leased premises without Landlord's permission.
2. No equipment or trailers may be parked in front of the leased premises without Landlord's permission.
3. All refuse must be placed in the proper receptacles and it must be covered at all times. Should tenant not keep refuse, trash, or other debris from around parking lot and the exterior, Landlord's agent shall have said items removed or cleaned up with the cost to be billed to Tenant as additional rent.
4. Any vehicles or equipment parked anywhere in the project must not damage or soil the parking surface, sidewalks, or landscaping.
5. The parking/drive areas shall not be used for any automotive repair.
6. Any vehicle or equipment parked anywhere in the project must not touch the buildings or above ground structures.
7. No vehicles or equipment may be parked on sidewalks or landscaped areas.

SIGNAGE

Signage must be consistent with existing building sign. Landlord has designated _____ as the exclusive vendor for this property although Landlord may change vendor at any time.