

COMMERCIAL SUBLEASE AGREEMENT

1. PARTIES

This Commercial Sublease Agreement (this "Sublease") is made on _____ between _____, with a mailing address of _____ (the "Sublandlord"), and _____, with a mailing address of _____ (the "Subtenant"). The Sublandlord and the Subtenant are the "Parties."

2. MASTER LEASE

The Sublandlord leases the Premises described below from _____ (the "Landlord") under a lease dated _____ (together with all amendments, the "Master Lease"), which expires on _____. This Sublease is subject and subordinate to the Master Lease. If the Master Lease ends for any reason, this Sublease ends at the same time, and the Sublandlord shall return any prepaid Rent and the Security Deposit less lawful deductions; if the Master Lease ends because of the Sublandlord's default, the Sublandlord is liable to the Subtenant for the resulting damages.

- ☐ A copy of the Master Lease, from which rent and other confidential financial terms may be redacted, is attached as Exhibit A. The Subtenant acknowledges having read it.
- ☐ The Sublandlord has delivered a copy of the Master Lease to the Subtenant before signing, and the Subtenant acknowledges having read it.

3. LANDLORD'S CONSENT

- ☐ The Master Lease requires the Landlord's consent to this Sublease. This Sublease takes effect only when the Landlord signs the consent at the end of this Sublease or a separate written consent. If consent is not obtained within ____ days after this Sublease is signed, either Party may cancel it by written notice, and the Sublandlord shall promptly refund all amounts the Subtenant has paid.
- ☐ The Sublandlord represents that the Master Lease permits this Sublease without the Landlord's consent, and that the Sublandlord has given the Landlord any notice the Master Lease requires.

4. PREMISES

The Sublandlord subleases to the Subtenant the _____ space located at _____, containing approximately _____ rentable square feet (the "Premises").

- ☐ The Premises is all of the space leased to the Sublandlord under the Master Lease.
- ☐ The Premises is part of the space leased to the Sublandlord under the Master Lease, described as follows: _____.
- ☐ A floor plan showing the Premises is attached as Exhibit B.
- ☐ No floor plan is attached.
- ☐ The Premises also includes: _____.
- ☐ Nothing else is included with the Premises.

5. USE OF PREMISES

The Subtenant shall use the Premises only for _____, and for no other purpose without the Sublandlord's prior written consent and, where the Master Lease requires it, the Landlord's consent.

6. TERM

- ☐ The term of this Sublease begins on _____ and ends on _____ (the "Term"), unless ended earlier under this Sublease.
- ☐ This Sublease begins on _____ and continues month to month until either Party ends it by at least ____ days' written notice (the "Term").

In no event shall the Term, including any renewal or holdover, extend beyond the day before the Master Lease expires.

7. RENT

- ☐ The Subtenant shall pay base rent of \$ _____ per month (the "Base Rent").
- ☐ Base Rent changes as follows: from _____ through _____, \$ _____ per month; from _____ through _____, \$ _____ per month; from _____ through _____, \$ _____ per month.

Base Rent is payable in advance, without demand, on the _____ day of each month, with the first month's Base Rent due when this Sublease is signed, by _____. Rent for any partial month is prorated by day. All amounts the Subtenant owes under this Sublease other than Base Rent are "Additional Rent," and Base Rent and Additional Rent together are "Rent."

8. OPERATING COSTS AND UTILITIES

- ☐ Base Rent includes the Subtenant's share of operating expenses, real estate taxes, insurance and utilities charged under the Master Lease, except for the Subtenant's own telephone, internet and any separately metered utilities, which the Subtenant shall pay directly.
- ☐ In addition to Base Rent, the Subtenant shall pay as Additional Rent ____% of all operating expenses, real estate taxes, insurance, utilities and other charges the Sublandlord pays under the Master Lease for the period of the Term, within ten (10) days after receiving the Sublandlord's invoice with reasonable supporting detail.
- ☐ Base Rent includes the Subtenant's share of operating expenses, real estate taxes and insurance under the Master Lease. The Subtenant shall pay directly for all utilities and services separately metered or provided to the Premises.

9. LATE PAYMENT

- ☐ If any Rent is not received within ____ days after its due date, the Subtenant shall pay a one-time late fee of \$ _____ for that payment, which the Parties agree is a reasonable estimate of the Sublandlord's costs of late payment.
- ☐ Any Rent not received within ____ days after its due date bears simple interest from the due date until paid at ____% per year, or the maximum rate permitted by law if lower.
- ☐ No late fee or interest is charged on late Rent, without limiting the Sublandlord's other remedies.

Payments are applied first to late charges and interest, then to the oldest Rent due.

10. OPTION TO RENEW

- ☐ If the Subtenant is not in default, the Subtenant may renew this Sublease for ____ renewal period(s) of _____ each, by written notice to the Sublandlord at least ____ days before the Term or the current renewal period expires, but only to the extent the Master Lease remains in effect for the renewal period. During each renewal period, Base Rent shall:
- ☐ The Subtenant has no option to renew this Sublease.

- ☐ remain the same as in the period immediately before.
- ☐ increase by _____% over the Base Rent for the period immediately before.
- ☐ increase by \$_____ per month over the Base Rent for the period immediately before.
- ☐ increase by the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, All Items), published by the U.S. Bureau of Labor Statistics, over the twelve (12) months ending with the most recent index published before the renewal period begins, but never decrease.
- ☐ be determined as follows: _____.

11. MASTER LEASE OBLIGATIONS

As to the Premises and the Term, and except as this Sublease provides otherwise, the Subtenant shall perform the obligations of the tenant under the Master Lease, and the Sublandlord has against the Subtenant the rights and remedies the Landlord has against the Sublandlord. The Subtenant shall not do or fail to do anything that would cause a default under the Master Lease. The Subtenant is not responsible for paying the Sublandlord's rent under the Master Lease, for any obligation that arose before the Term began, or for any default by the Sublandlord. The following provisions of the Master Lease do not apply to the Subtenant: _____.

The Sublandlord shall: (a) pay all rent and perform all its other obligations under the Master Lease, except those the Subtenant has assumed; (b) not amend or terminate the Master Lease in a way that affects the Premises or the Subtenant's rights without the Subtenant's written consent; (c) promptly forward to the Subtenant any notice of default or other notice from the Landlord affecting the Premises; and (d) use reasonable efforts to enforce the Landlord's obligations under the Master Lease (such as services, repairs and insurance) for the Subtenant's benefit. The Sublandlord is not liable for the Landlord's failure to perform, but the Subtenant's Rent shall abate to the extent the Sublandlord receives an abatement under the Master Lease for the Premises.

12. SECURITY DEPOSIT

- ☐ On signing this Sublease, the Subtenant shall pay a security deposit of \$_____ (the "Security Deposit") as security for its performance. If the Subtenant defaults, the Sublandlord may apply the Security Deposit to amounts owed, and the Subtenant shall restore it within ten (10) days after notice. The Subtenant may not apply it to the last month's Rent without the Sublandlord's written consent. The Sublandlord shall return the unapplied balance within thirty (30) days after the Sublease ends and the Subtenant vacates, or within any shorter period required by law.
- ☐ No security deposit is required.

13. CONDITION OF PREMISES

The Subtenant has inspected the Premises and accepts it "as is," in its present condition, with all current fixtures, except for the following work the Sublandlord shall complete before the Term begins:

_____. Except as stated in this Sublease, the Sublandlord makes no representation about the condition of the Premises or its suitability for the Subtenant's use, but the Sublandlord represents that it has no actual knowledge of any material defect in the Premises that it has not disclosed in writing.

14. ALTERATIONS AND LIENS

The Subtenant shall make no alterations, additions or improvements to the Premises or the building without the prior written consent of the Sublandlord, which shall not be unreasonably withheld, and of the Landlord where the Master Lease requires it. All work shall be done in a good and workmanlike manner, by licensed contractors, under the required permits and in compliance with all codes. Improvements attached to the Premises become part of the Premises at the end of the Term, unless the Sublandlord or the Landlord requires their removal under the

Master Lease, in which case the Subtenant shall remove them and repair any damage. The Subtenant shall pay for its own improvements, except: _____.

The Subtenant shall keep the Premises free of mechanics' liens arising from its work and shall discharge or bond over any such lien within ten (10) days after notice of it. If it fails to do so, the Sublandlord may discharge the lien, and the Subtenant shall reimburse the cost as Additional Rent. The Subtenant is not the agent of the Sublandlord or the Landlord for any purpose.

15. MAINTENANCE AND REPAIRS

The Subtenant shall, at its expense, keep the interior of the Premises clean, safe and in good repair, reasonable wear and tear and casualty excepted, including routine repairs it can reasonably perform, light bulbs, windows and plate glass damaged by the Subtenant or its invitees, and the entranceway leading into the Premises. The Subtenant shall promptly remove rubbish and dispose of any waste lawfully. Repairs to the structure and building systems remain the responsibility of the Landlord or the Sublandlord as provided in the Master Lease, except that the Subtenant shall pay for any damage caused by the negligence or misconduct of the Subtenant or its employees, agents, contractors or invitees, to the extent not covered by insurance.

16. COMPLIANCE, PERMITS AND HAZARDOUS MATERIALS

The Subtenant shall comply with all laws, the rules of the building, and the requirements of the Landlord's insurers that apply to its use of the Premises, and shall pay any cost of bringing its particular business operations into compliance. The Subtenant shall obtain and keep current all licenses and permits required for its business and keep copies on site, available on request. The Subtenant shall not bring, keep or release any hazardous materials on the Premises, other than ordinary office and cleaning supplies in lawful quantities, and shall not install equipment that unreasonably interferes with other occupants of the building.

17. SIGNS

The Subtenant shall not place any sign on the exterior or in the windows of the Premises or the building without the Sublandlord's prior written consent, the Landlord's consent where the Master Lease requires it, and any required governmental approval. The Subtenant shall maintain approved signs and, on vacating, remove them and repair any damage.

18. ANIMALS

No animals are permitted on the Premises except service animals as defined by the Americans with Disabilities Act and any other animals the law requires the Subtenant to admit.

19. INSURANCE

Throughout the Term, the Subtenant shall maintain, at its expense: (a) commercial general liability insurance with limits of at least \$_____ per occurrence and \$_____ in the aggregate; (b) property insurance covering the Subtenant's furniture, equipment, inventory and improvements for their full replacement cost; (c) workers' compensation insurance as required by law; and (d) any other insurance the Master Lease requires of the tenant. The liability policy shall name the Sublandlord and the Landlord as additional insureds. The Subtenant shall deliver certificates of insurance before taking possession and on each renewal, and each policy shall provide for at least thirty (30) days' notice to the Sublandlord before cancellation. If the Subtenant fails to maintain the required insurance, the Sublandlord may obtain it and charge the cost as Additional Rent. If the Subtenant's use increases the premium for the building's insurance, the Subtenant shall pay the increase. To the extent their policies allow, the Parties waive claims against each other for property damage covered by insurance and shall obtain waivers of subrogation from their insurers.

20. ASSIGNMENT AND FURTHER SUBLETTING

The Subtenant shall not assign this Sublease, sublet all or part of the Premises, or allow anyone else to occupy it, without the prior written consent of the Sublandlord and, where the Master Lease requires it, the Landlord.

21. DAMAGE OR DESTRUCTION

If the Premises or the building is damaged by fire or other casualty not caused by the Subtenant or its invitees, Rent shall abate in proportion to the part of the Premises that cannot reasonably be used, until it is restored. Restoration is governed by the Master Lease. If the Master Lease is terminated because of the casualty, this Sublease terminates on the same date, and if the Premises cannot reasonably be used for more than ____ days, either Party may terminate this Sublease by written notice.

22. DEFAULT AND REMEDIES

The Subtenant is in default if: (a) it fails to pay Rent within ____ days after written notice that it is overdue; (b) it fails to perform any other obligation within ____ days after written notice, or, if the failure cannot reasonably be cured in that time, fails to begin the cure within that time and pursue it diligently; or (c) it abandons the Premises. If the cure period required by the Master Lease for the same default is shorter, the Subtenant shall cure within a period that allows the Sublandlord to avoid a default under the Master Lease. Upon a default, the Sublandlord may terminate this Sublease by written notice and recover possession through legal proceedings or as otherwise permitted by law, and may recover unpaid Rent, damages, and the reasonable cost of re-letting, subject to any duty to mitigate. Any property the Subtenant leaves on the Premises after this Sublease ends may be removed, stored and disposed of as permitted by law, at the Subtenant's expense.

If the Subtenant becomes the subject of a bankruptcy, receivership or assignment for the benefit of creditors, the Sublandlord shall have all rights available to it under the United States Bankruptcy Code and applicable law.

In any legal action to enforce this Sublease, the prevailing Party may recover reasonable attorneys' fees and costs.

23. INDEMNIFICATION

The Subtenant shall indemnify, defend and hold harmless the Sublandlord and the Landlord from all claims, losses and expenses, including reasonable attorneys' fees, arising from the use or occupancy of the Premises by the Subtenant or its employees, agents, contractors or invitees, or from the Subtenant's breach of this Sublease, except to the extent caused by the negligence or willful misconduct of the Sublandlord, the Landlord or their agents. The Sublandlord shall indemnify the Subtenant against claims arising from the Sublandlord's breach of the Master Lease or of this Sublease. These obligations survive the end of this Sublease.

24. RIGHT OF ENTRY

The Sublandlord, the Landlord and their agents may enter the Premises at reasonable times, on at least twenty-four (24) hours' notice, to inspect, make repairs, or show the Premises to prospective tenants, buyers or lenders, and at any time without notice in an emergency, while minimizing interference with the Subtenant's business.

25. SUBORDINATION AND ATTORNMEN

This Sublease is subordinate to any mortgage or ground lease that the Master Lease is subordinate to. On request, the Subtenant shall sign a reasonable subordination agreement, provided the holder agrees not to disturb the Subtenant's possession while it is not in default. If the Landlord succeeds to the Sublandlord's interest, the Subtenant shall, at the Landlord's election, recognize the Landlord as its sublandlord under this Sublease.

26. ESTOPPEL CERTIFICATES

Within ten (10) days after a request, each Party shall sign and deliver a statement certifying whether this Sublease is in full force and unmodified, the dates to which Rent has been paid, and whether, to its knowledge, any default exists.

27. HOLDOVER

If the Subtenant stays in possession after this Sublease ends without a written agreement, it shall be a tenant at sufferance, or month to month if the Sublandlord so elects in writing, and shall pay Base Rent at ____% of the last monthly Base Rent, prorated by day. The Subtenant is also liable for any holdover rent, damages or penalties the Sublandlord incurs under the Master Lease because of the Subtenant's holdover.

28. BROKERS

- ☐ The Parties acknowledge that the following brokers were involved in this Sublease:
_____. Each Party shall indemnify the other against any claim for a commission by any other broker based on its own dealings.
- ☐ Each Party represents that it has not dealt with any broker in connection with this Sublease and shall indemnify the other against any claim for a commission based on its own dealings.

29. NOTICES

Notices must be in writing and are effective on receipt when delivered by hand, by nationally recognized overnight courier, or by certified mail, return receipt requested, to the Parties at their addresses above, or to another address a Party designates by notice. Copies of notices may also be sent by email, which alone is not sufficient notice of a default. Rent shall be paid as stated in the Rent section.

30. GOVERNING LAW

This Sublease is governed by the laws of the State of _____.

31. GENERAL PROVISIONS

A waiver of any default is not a waiver of any other default. If any provision is held invalid, the rest of this Sublease remains in effect. This Sublease binds and benefits the Parties and their successors and permitted assigns. It may be amended only in a writing signed by both Parties, and with the Landlord's consent where the Master Lease requires it. It may be signed in counterparts and electronically. This Sublease, with its exhibits, is the entire agreement of the Parties about the Premises.

32. ADDITIONAL TERMS

- ☐ The Parties also agree to the following: _____
- ☐ There are no additional terms.

The Parties have signed this Sublease as of the date first written above.

SUBLANDLORD

By: _____ Date: _____

Name and title: _____

SUBTENANT

By: _____ Date: _____

Name and title: _____

LANDLORD'S CONSENT (if required by the Master Lease)

The Landlord consents to this Sublease. This consent does not release the Sublandlord from any obligation under the Master Lease, does not amend the Master Lease, and is not consent to any further assignment or subletting.

Landlord: _____

By: _____ Date: _____

Name and title: _____