

COMMERCIAL LEASE

Indenture of Lease made as of the 14th day of October, 2014, by and between CARLENE WHITE, of 37 Boxford Road, Ipswich, Essex County, Massachusetts (hereinafter referred to as "Landlord"), and SERVICE DOG PROJECT, INC., of 37 Boxford Road, Ipswich, Massachusetts (hereinafter referred to as "Tenant").

WITNESSETH

1. EXHIBITS

1.1. The following exhibits are attached to this Lease and made a part hereof:

Exhibit A--Description of Premises.

Exhibit B--Rent Payments.

Exhibit C--Option to Purchase.

2. PREMISES

2.1. Landlord hereby demises and leases unto Tenant and Tenant hereby hires from Landlord, subject to the conditions hereinbelow set forth, a portion of Landlord's property as described in Exhibit A (hereinafter called the "Premises") with a street address of 37 and 45 Boxford Road, Ipswich, Massachusetts.

3. TERM

3.1. To have and to hold the Premises for an original term commencing this day and ending on December 31, 2024, unless sooner terminated as hereinafter provided. The Parties agree to discuss the possibility of extending the term for one or more additional terms of five (5) years each at least sixty (60) days prior to the expiration of the term. Such discussions shall include, but not be limited to, the monthly rental for the proposed extended term.

4. RENT

- 4.1. Tenant agrees to pay Landlord as rent for the Premises the amounts set forth in Exhibit B. Until further notice from Landlord all rent and other payments due hereunder to Landlord shall be by check mailed to 37 Boxford Road, Ipswich, MA 01938.

5. TAXES AND UTILITIES

- 5.1. Tenant shall be responsible and shall pay all real estate taxes for Landlord's property commonly known as 37 and 45 Boxford Road and for the furnishing and charges for all utilities, snow removal and landscaping for the Premises.

6. RIGHT OF FIRST REFUSAL

- 6.1. Tenant shall have the benefit of a right of first refusal to purchase the property commonly known as 37 and 45 Boxford Road as set forth in Exhibit C.

7. LANDLORD'S WARRANTY/QUIET POSSESSION

- 7.1. Landlord represents and warrants to Tenant that Landlord has the lawful right and authority to enter into this Lease for the entire term hereof.
- 7.2. Landlord covenants and agrees that Tenant, upon performance of its obligations under this Lease, shall peaceably and quietly have, hold and enjoy the Premises throughout the original term of this Lease.

8. TENANT'S FIXTURES/ALTERATIONS

- 8.1. Tenant may install in the Premises such fixtures (trade or otherwise) and equipment as Tenant deems desirable and all of said items shall remain Tenant's property and Tenant may remove, and/or replace, said fixtures and equipment, in the Premises, at any time and from time to time during the term. Landlord shall not mortgage, pledge or encumber said fixtures or equipment. Tenant shall make all repairs or replacements at

Tenant's expense in connection with the removal of any fixtures or equipment installed as provided in this paragraph.

- 8.2. All signs, counters, shelving, trade and light fixtures, contents, and other store equipment, which may at any time be installed or placed in or upon the Premises, by or at the expense of Tenant, are and shall remain the property of Tenant, and Tenant shall remove the same and repair all damage to the Premises caused by such installation and removal prior to or at the expiration date of the term of this Lease.

9. ASSIGNING AND SUBLETTING

- 9.1. Except as provided herein, Tenant shall not assign this Lease or any interest therein without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed, but Tenant shall remain liable to Landlord during the original term for the payment of rent and performance of all obligations of Tenant hereunder.
- 9.2. Notwithstanding the above, Tenant shall have the right, without the consent of Landlord, to assign this Lease or sublet the Premises or any part thereof to any entity incidental to the merger or consolidation or sale of substantially all the assets of Tenant in which the surviving or acquiring corporation after acquisition shall have a net worth computed in accordance with generally accepted accounting principles not less than that of Tenant immediately prior to such merger or consolidation or acquisition.

10. HOLDING OVER

- 10.1. If Tenant holds over or remains in possession of Premises after expiration of the original term of this Lease, without any new lease of said premises being entered into between the parties hereof, or any option herein contained being exercised by written notice, such holding over or continued possession shall create a tenancy at will only at the last monthly rental and upon the

terms (other than length of term) herein specified, which may at any time be terminated by either party by one (1) month's written notice to the other party.

11. REPAIRS AND MAINTENANCE

- 11.1. Landlord shall not have any obligation to make any repairs or alterations to the Premises or any part thereof, except as otherwise expressly provided in this Article. Throughout the original term of this Lease, Tenant covenants and agrees to maintain the Premises and all additions and improvements made upon them in such repair, order and condition as the same are in at the commencement of said term or may be put in by Landlord or Tenant during the continuance thereof, reasonable wear and tear, damage by fire or any other casualty, taking by eminent domain, and items which Landlord is expressly obligated to repair only excepted.
- 11.2. Subject to Article 12 hereof, Landlord covenants and agrees that Landlord will make all necessary repairs and replacements to the structure of said building so that said building will comply with applicable law and any other required structural repairs and replacements to said building.
- 11.3. Structural repairs and replacements shall mean and include repairs and replacements to the roof and exterior walls of said building and to major items of equipment such as HVAC equipment.

12. DAMAGE OR DESTRUCTION

- 12.1. If the Premises shall be damaged or destroyed by fire or other cause, the same shall be repaired or replaced or restored to the condition the same were in immediately preceding such fire or other cause by, and at the expense of, Landlord, but only to extent that Landlord has received insurance proceeds sufficient therefor, and the rent under Exhibit B until such repairs have been made, be abated as to the part of the Premises which is unusable by Tenant on a just and equitable basis. Such repairs shall be made

promptly subject to reasonable delay which may arise by reason of adjustment of insurance on the part of Landlord and for delay on account of labor troubles or any other cause beyond Landlord's control. Landlord shall not be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting from delays in repairing such damage, except that Landlord agrees to use its best efforts to procure such insurance proceeds and to repair such damage expeditiously, and except that Landlord shall not unreasonably interfere with Tenant's business in making such repairs. If the Premises are totally damaged or are rendered wholly untenable by fire or other cause so that they cannot reasonably be expected to be restored or rebuilt within a four (4) month period, either Landlord or Tenant may within thirty (30) days of the occurrence of such damage, terminate this Lease upon fourteen (14) days' prior notice in writing to the other. Notwithstanding anything to the contrary in this lease contained, if landlord shall not have in fact completed repair of such damage within four (4) months from the occurrence of such fire or other casualty, Tenant may terminate this Lease by written notice to Landlord and thereafter this Lease shall be of no further force or effect. Upon the termination of this Lease under the conditions herein provided for, Tenant's liability for rent accruing thereafter shall cease as of the day following the casualty. Landlord shall not be obligated to expend funds to repair or replace the Premises in an amount in excess of the insurance proceeds received as a result of such damage or destruction.

### 13. INSURANCE

- 13.1. Landlord at its own cost and expense covenants and agrees to insure the building and all fixtures, additions and improvements which are a part of the Premises against damage by fire, including extended coverage, and to keep them so insured to the extent of the full replacement value.

- 13.2. Tenant at its own cost and expense shall provide and maintain public liability insurance having a minimum per occurrence limit of \$500,000.00, against all claims which may be brought for bodily injury, death or damage to property of third persons. Such insurance shall not be amended (except for increases in insurance limits) or canceled except on ten (10) days prior written notice to Landlord. The policy or certificates thereof shall be delivered to and held by Landlord.

14. EMINENT DOMAIN

- 14.1. In the event of any taking for any public or quasi-public use by exercise of the right of eminent domain or by deed in lieu thereof between Landlord and those having the authority to exercise such right (hereinafter called "Taking") of the whole of the Premises then this Lease and the term hereof shall cease and expire as of the date of such Taking and the rent under Exhibit B for a period after such Taking shall be refunded to Tenant upon demand.
- 14.2. In the event of Taking of a substantial part of the Premises or in the event of a Taking so as to prevent or substantially prevent adequate access to Premises, then Tenant may elect to terminate this Lease by giving notice of termination to Landlord on or before the date which is ninety (90) days after receipt by Tenant of notice that the Taking or denial or diminishing of access or termination of the Tenant's lease shall have occurred. Upon the date specified in such notice of termination this Lease and the term hereof shall cease and expire, and the rent under Exhibit B paid for a period after such date of termination shall be refunded to Tenant upon demand.
- 14.3. If this Lease be not terminated or if Tenant does not elect to terminate this Lease as aforesaid then the award or payment for the Taking shall be paid to and used by Landlord for restoration as hereinafter set forth and Landlord shall promptly commence and with due diligence continue to

restore the Premises remaining after the Taking to substantially the same condition and tenantability as existed immediately preceding the Taking. During the period of any restoration, the rent under Exhibit B shall be abated justly and equitably. Nothing herein contained shall be deemed or construed to prevent either Landlord or Tenant from enforcing and prosecuting a claim for the value of its respective interest in any condemnation proceedings.

- 14.4. Tenant's right to recover damages in case of any Taking, shall not be affected, prejudiced, restricted or limited whether or not this Lease has been terminated because of such Taking or is subject to termination. Nothing herein contained shall prohibit Tenant (in addition to the foregoing) from interposing and prosecuting in any condemnation proceeding, independent of any claim of Landlord, claims for which the Tenant may be entitled to recover.

## 15. MORTGAGES

- 15.1. This Lease shall be subject and subordinate in all respects to all mortgages to recognized lending institutions which may hereafter affect the Premises and each and every of the advances which have heretofore been made or which may hereafter be made thereunder, and to all renewals, modifications, consolidations, replacements and extensions thereof, provided that the holder of any such mortgage delivers to Tenant a written agreement in recordable form consenting to this Lease and agreeing that Tenant shall not be disturbed or canceled at any time, except in the event Landlord shall have the right to terminate this Lease under the terms and provisions set forth herein, and agreeing further that proceeds of insurance and taking awards be applied as provided for in this Lease. In confirmation of such subordination, Tenant shall execute promptly, without cost or charge, any instruments or certificates that Landlord or any mortgagee may require.

- 15.2. Landlord shall make all payments required to be made under the provisions of any mortgage and ground or underlying lease affecting the Premises in default of which Tenant shall have the right, but not the obligation, to cure any such default and to deduct the cost thereof from the rent becoming due under this Lease or to require the payment of such cost from Landlord upon demand.

16. TENANT'S COVENANTS

- 16.1. In addition to all other covenants and agreements of Tenant contained herein, Tenant will save landlord harmless from all loss and damage occasioned by the use of water in or escape of water from the Premises or by the bursting or cracking of the water pipes, including the sprinkler system, if any, except for such loss or damage as is caused by the negligence of Landlord, its agents, employees, servants, or contractors or Landlord's failure to properly make repairs required to be made by Landlord hereunder; at the expiration of said term will remove its goods and defects and those of all persons claiming under it and will peaceably yield up to Landlord the Premises and all additions and improvements made upon them (except those which Tenant is permitted to remove hereunder) and leave them clean and in such repair, order and condition as the same are in at the commencement of said term or may be put in by Landlord or Tenant during the continuance thereof, reasonable wear and tear and damage by fire or any other casualty or takings excepted; will not commit any nuisance on the Premises; will not overload the Premises; will not carry on any business, trade or occupation upon the Premises or make any use thereof which shall be unlawful or offensive or contrary or any law or ordinance for the time being in force; will not do any act or thing upon the Premises which will make them uninsurable against fire or which is liable to increase the premium for fire insurance on the Premises over the normal premium at the time in question for the stipulated use of the Premises, and if such premiums are increased, Tenant shall pay the amount of such increase; and



will keep the Premises equipped with all safety appliances required by law or ordinance, or any order or regulation of any public authority because of the use made of the Premises; except only for the structures on the Premises, repairs to which are to be made by Landlord, will make all repairs, alterations, and replacements so required; will procure any authorizations or licenses required for Tenant's use or repair of the Premises; that Landlord or its agents may during the term during normal business hours and with Tenant's prior approval which approval Tenant agrees not to unreasonably withhold or delay (or at any time in the event of an emergency) enter to view the Premises and make repairs or improvements, but Landlord will not be required to do so, except as otherwise expressly provided in this Lease; and Landlord may show Premises to others at mutually agreeable times during normal business hours, and at any time during normal business hours within ninety (90) days before the expiration of the term (as the same may be extended), may affix to any suitable part of the exterior of the Premises a notice of reasonable size for letting or selling the Premises and keep the same as affixed without molestation by Tenant.

17. TENANT'S DEFAULT

- 17.1. If any sum or sums due as rent as herein provided and set forth or any part thereof shall be unpaid for a period of fourteen (14) days after written notice of such default has been given by Landlord to Tenant, or if Tenant shall violate or be in default in its observances or performance of any of its covenants herein contained, except default in the payment of rent, and shall have failed to take and prosecute appropriate steps to remedy such breach or default within twenty (20) days after written notice of such breach or default has been given by Landlord to Tenant, or if the estate hereby created shall be taken on execution or other process of law and shall not be redeemed for twenty (20) days after Landlord shall have given Tenant written notice of such taking, or if Tenant be declared bankrupt or insolvent

according to law, or if any assignment shall be made of its property for the benefit of creditors, then, and in each of the said cases (after the expiration of the aforesaid fourteen (14) day or twenty (20) day period if applicable), Landlord lawfully may (notwithstanding any waiver of any former breach of covenant or waiver of the benefit hereof or consent in a former instance) immediately or at any time thereafter while such default or other stipulation aforesaid continues and without further demand or notice enter into and upon the Premises or any part thereof in the name of the whole and repossess the same as of its former estate and expel Tenant and those claiming through or under it and remove its effects (forcibly if necessary) without being deemed guilty of any manner to trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant, and upon entry as aforesaid this Lease shall terminate and Tenant covenants that in case of such termination under the provisions of statute by reason of the default of Tenant, Tenant will forthwith pay Landlord as damages a sum equal to the amount by which the rent called for hereunder of the remainder of the original term and, in addition thereto, will during the remainder of the original term thereof pay to Landlord on the last day of each calendar month the difference, if any, between rental which would have been due for such month had there been no such termination and the sum of the amount being received by Landlord as rent from occupants of the Premises, if any, and the applicable pro rated amount of the damages previously paid to Landlord, Landlord hereby agreeing to use reasonable efforts to minimize damages.

18. USE AND OCCUPANCY

- 18.1. The Premises may be used and occupied for a commercial dog kennel as defined by the Zoning By-Law of the Town of Ipswich and for related business offices.

19. SIGNS

- 19.1. Tenant shall have the right to install, maintain and replace, at its own cost and expense, after the prior written consent of Landlord in each instance, such signs on the Premises and in common areas such as driveways, parking areas and sidewalks as it determines, provided the same shall be in compliance with all laws, orders, rules and regulations of all governmental authorities having jurisdiction thereof.

20. NOTICES

- 20.1. Every notice, approval, consent or other communication authorized or required by this Lease shall not be effective unless in writing and sent by United States registered or certified mail, return receipt requested, directed, if to Tenant to the address listed below; and if to Landlord at the address listed herein or such other address as either party may designate by notice from time to time.

Landlord: Carlene White  
37 Boxford Road  
Ipswich, MA 01938

Tenant: Service Dog Project, Inc.  
37 Boxford Road  
Ipswich, MA 01938

21. WAIVER

- 21.1. One or more waivers of any covenant or condition by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition, and the consent or approval by Landlord requiring the other party's consent or approval to or of any similar subsequent act. The failure of either party to seek redress for violation of, or to insist upon strict performance of, any term, covenant or condition in this Lease shall not prevent a similar subsequent act from constituting a default under this Lease.

22. INVALIDITY OF CERTAIN PROVISIONS

- 22.1. If any provision of this Lease shall be invalid or unenforceable, the remainder of the provisions of this Lease shall not be affected thereby and each and every provision of this Lease shall be enforceable to the fullest extent permitted by law.

23. LANDLORD'S INTEREST

- 23.1. Landlord reserves the right to assign or transfer any and all of its rights, title and interest under this Lease, including but not limited to the benefit of all covenants of the Tenant hereunder. Notwithstanding anything contained in this Lease to the contrary, it is specifically understood and agreed that the obligations imposed upon Landlord hereunder shall be binding upon Landlord and Landlord's successors in interest only with respect to breaches occurring during Landlord's successors' respective ownership of Landlord's interest hereunder, and Landlord and its said successors in interest shall not be liable for acts and occurrences arising from and after the transfer of their interest as Landlord hereunder.

24. INDEMNIFICATION

- 24.1. Tenant and Landlord agree to indemnify and defend each other against, and to save each other harmless from, any and all claims of whatever nature for injury or damage to persons or property in or about the Premises caused by their respective negligence or intentional conduct or by the negligence or intentional conduct of their respective employees, agents or contractors.

WITNESS the execution hereof under seal the day and year first written above.

Carlene White  
CARLENE WHITE

SERVICE DOG PROJECT, INC.,  
By:

Carlene White  
Its: President and Treasurer

EXHIBIT A  
DESCRIPTION OF PREMISES

[Exhibit sketch to be supplied by Landlord]

For Landlord's title, see the deeds recorded in the Essex South District Registry of Deeds, Book 6934, Page 382, and Book 31464, Page 349.

EXHIBIT B  
RENT PAYMENTS

The monthly rent due from Tenant to Landlord shall be as follows payable in advance on the first day of each month during the term of this Lease:

1. During the lifetime of CARLENE WHITE, the monthly rent shall be One (\$1.00) Dollar.
2. For five years after the death of CARLENE WHITE, the monthly rent shall be One (\$1.00) Dollar. Thereafter, the monthly rent shall be set at the then current fair market rate. Landlord and Tenant shall negotiate such rent in good faith. If the parties fail to agree on a mutually acceptable rent within ninety (90) days, each party shall retain a licensed appraiser to establish a monthly rent. If the two appraisals vary by Two Hundred (\$200.00) Dollars per month or less, the rent shall be set at the average of the two appraisals. If they vary by more than said amount, the two appraisers shall appoint a third appraiser and the monthly rent established by the third appraiser shall be binding on the parties. After the first twelve (12) months, the monthly rent shall be adjusted for changes in the Consumer Price Index for the Boston-Brockton-Nashua area (all items, not seasonally adjusted). A similar CPI adjustment shall be made annually thereafter.

EXHIBIT C  
RIGHT OF FIRST REFUSAL

1. The property commonly known as 37 and 45 Boxford Road (the "Property") will not be assignable by Landlord by sale or otherwise in whole or in part to a third party without it, together with any improvements thereon, being first offered in writing to Tenant, at the same net consideration that Landlord is then able to realize from a bona fide third party purchaser. Landlord agrees to provide Tenant with the name and address of the intended purchaser and such other information as Tenant reasonably may require together with the terms of the proposed transaction. The giving of such notice shall constitute a warranty and representations by Landlord to Tenant that Landlord believe the proposal to be bona fide in all respects.

2. Landlord shall keep such offer open for at least fourteen (14) days after the receipt thereof by Tenant. If Tenant shall accept the offer within the said fourteen (14) day period, Landlord shall convey the Property by quitclaim deed to Tenant within sixty (60) days after such acceptance.

3. The failure of Tenant to act within such fourteen (14) day period after notice shall be deemed to constitute approval of the transfer to a third party, following which Tenant nevertheless shall prepare and deliver a written waiver of their rights as to that particular transfer in recordable form as set forth below.

4. If Landlord fail to offer the Property to Tenant as set forth above, whoever may then hold title shall convey the Property forthwith to Tenant upon demand, for the same consideration that Tenant would have had to pay had the offer been properly made. Such demand of Tenant upon the then title holder shall be made within sixty (60) days after receipt by Tenant of notice that a transfer of the Property has been completed. The notice referred to above must be actual notice to Tenant. Constructive notice by recording or otherwise shall not constitute such actual notice.

5. The right of first refusal is subject to the terms and conditions of a prior Right of First Refusal for a portion of the Property granted by Landlord to Deborah C. Nelson and Ingrid Johnson, dated December 30, 2008, as reflected in Notices of Right of First Refusal recorded in the Essex South District Registry of Deeds, Book 28223, Page 134, and Book 28223, Page 136.