

B. In addition to the base rent specified in paragraph 2A, Tenant shall pay as additional rent, its proportionate share of common area charges, utilities, and any other charges and expenses associated with the operation and maintenance of the premises and building as more specifically stated in the following provisions of the Lease relating to such matters.

With respect to common area charges, which are charges for the maintenance and repair of the bathroom and hallways, which constitute the common areas, the tenant shall pay its proportionate share of the actual costs of such maintenance and repair of the common areas not to exceed fifty percent (50%). Tenant shall not be required to pay such charges more frequently than once per month and only upon receipt by tenant of a written statement from Landlord advising Tenant of the specific monthly payment amount for such charges.

C. Concurrent with the execution of this Lease, Tenant shall deposit with Landlord a Security Deposit in the amount of \$5,000.

D. No renewal. Terms of an extension to be negotiated at time of renewal if both parties wish to extend.

### **3. Use**

Tenant shall use the Premises for a Retail Store and related items or for other similar retail use other than those uses generally considered objectionable. The ultimate determination of what shall be objectionable shall be at Landlord's sole discretion. Alcoholic beverages may not be sold or served on the leased premises. Tenant shall be solely responsible for obtaining and maintaining all federal, state, and local licenses and permits required for operation of Tenant's business upon the premises, including but not limited to all costs and fees associated with obtaining and maintaining any such licenses or permits. Tenant will not allow conduct or permit to be conducted any activity, or place any equipment in or about the Leased Premises, which will in any way increase the rate of fire insurance or other insurance on the building.

Tenant shall not install, use, generate, or store or dispose of in or about the Premises any hazardous substance, toxic chemical, pollutant, or other material regulated by the Comprehensive Environmental Response, Compensation and Liability Act of 1985 or in the so called Minnesota Superfund Bill or any similar law or regulation (including without limitation any material containing asbestos or PCB) without Landlord's written approval of each such substance. Tenant shall indemnify, defend and hold Landlord harmless from and against any claim, damage, or expense arising out of Tenant's installation, use, generation, storage, or disposal of any such substance, regardless of whether the Landlord has approved the activity.

### **4. Sublease and Assignment**

Tenant shall not assign, transfer, mortgage, or encumber this Lease or sublet, or rent or permit occupancy or use of the premises, or any part thereof by any third party; nor shall any assignment or transfer of this Lease be effectuated by operation of law or otherwise (any of the foregoing being referred to as an Assignment), without in each case obtaining the prior written consent of Landlord, such consent shall be subject to the Landlord's sole