

Massachusetts Commercial Lease Agreement

This Commercial Lease Agreement ("Lease") is made and effective June 18, 2025, by and between Peace Love Happiness, LLC with an address of 16 Commonwealth Avenue, Salisbury, MA 01952 ("Landlord") and City of Haverhill with an address of 4 Summer Street, Haverhill, MA 01830 ("Tenant").

Landlord is the owner of land and improvements commonly known and numbered as 443 West Lowell Avenue, Haverhill, Massachusetts 01830 and legally described as follows (the "Building"):
Landlord makes available for lease a portion of the Building the whole second floor of the leased building; 1,000 square feet of storage in the basement, including 28 parking spaces and the grassy area to the right of the school that will be fenced off to use as a playground. (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" of Five years beginning June 18, 2025 and ending June 18, 2030. Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. If Landlord is unable to timely provide the Leased Premises, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for two extended terms of five years. Tenant shall exercise such renewal option, if at all, by giving written notice to Landlord not less than one hundred and eighty days (180) days prior to the expiration of the Initial Term.

2. Rental.

A. Tenant shall pay to Landlord during the Initial Term rental of \$180,000 per year, payable in installments of \$15,000 per month. Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord or at such other place designated by written notice from Landlord or Tenant.

The monthly rent specified herein shall be inclusive of all amounts due from Tenant under this Lease. Tenant shall not be responsible for any additional payments of any kind, including but not limited to payments for taxes, utilities, common area maintenance, or other operating expenses, unless expressly stated otherwise in this Lease.

Tenant shall pay to Landlord a one-time, non-refundable lump sum in the amount of One Hundred Twenty-Five Thousand Dollars (\$125,000.00) (the "Fit-Out Contribution") as a contribution toward the cost of the initial fit-out and improvements to the Premises. The Fit-Out Contribution shall be paid in

installments as follows: fifty percent (50%) shall be payable within thirty (30) days following the execution of this Lease, twenty-five percent (25%) shall be payable at the midway point of the completion of the improvements, and the remaining twenty-five percent (25%) shall be payable upon completion of the improvements. The parties acknowledge and agree that the Fit-Out Contribution is provided solely for the purpose of funding improvements to the Premises and shall not be deemed prepaid rent or a security deposit, nor shall it be refundable under any circumstance.

3. Use

Notwithstanding the forgoing, the Tenant shall use the Leased Premises for the purposes of educational purposes including but not limited to office space and class rooms.

4. Sublease and Assignment.

Tenant shall not have the right to sublease or assign this Lease.

5. MAINTENANCE OF BUILDING; Repairs.

During the Lease Term, Tenant shall, at Tenant's sole cost and expense, be responsible for the routine maintenance and repair of the interior portions of the Leased Premises, limited to items located within the four walls of the Leased Premises. Including but not limited to thermostats, light switches, lights, light bulbs, bathroom fixtures.

Landlord shall, at its sole cost and expense, be responsible for maintaining in good order, condition, and repair all major building systems and structural components serving the Leased Premises, including, without limitation, the foundation, roof, structural walls, exterior doors and windows, and all major mechanical, electrical, plumbing, and HVAC systems. Landlord shall also be responsible for all preventive maintenance of the HVAC system, including maintaining a service contract and performing at least two filter changes per year. The Landlord shall also ensure that the temperature within the Premises is maintained in a manner that complies pursuant to 603 CMR 18.00. In the event the HVAC system fails to maintain this temperature range, Landlord shall, at its sole cost and expense, restore the system to proper working order within two (2) business days of receiving written notice from Tenant of the issue.

Tenant shall not be responsible for maintaining or contracting for maintenance of the HVAC system or other major mechanical systems.

6. Alterations and Improvements.

Tenant, at Tenant's expense, shall have the right following Landlord's consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, including, without limitation, the installation or construction of a playground. Landlords consent to any alterations and improvements shall not be unreasonably withheld. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the

premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Insurance.

Insurance Requirements – Property

Landlord shall maintain property insurance on the Building, including the Leased Premises (excluding Tenant's personal property and trade fixtures), on a replacement cost basis, insuring against fire and other perils commonly covered under a Special Form (formerly "All Risk") policy.

Tenant shall be responsible for maintaining property insurance on its own personal property, equipment, trade fixtures.

Landlord and Tenant each agree to waive rights of recovery against the other party (including their officers, employees, and agents) for any property damage covered by their own insurance.

Insurance Requirements – General Liability

Tenant shall maintain the following insurance coverages throughout the term of the Lease:

1. **Commercial General Liability Insurance** with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, including coverage for bodily injury, property damage, personal and advertising injury, and contractual liability.
2. **Waiver of subrogation:** each party waives all rights of subrogation against the other for claims covered by general liability insurance.

8. Utilities.

Landlord shall pay all charges for water, sewer, electricity, and other services and utilities (excluding internet) used by Tenant on the Leased Premises during the term of this Lease, unless otherwise expressly agreed in writing by Landlord. Tenant acknowledges that the Leased Premises are designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

9 Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or

construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

10. Parking.

During the term of this Lease, Tenant shall have the exclusive right to use twenty-eight (28) designated parking spaces within the structured parking area serving the Building. These spaces shall be available for use by Tenant, its employees, agents, and invitees, and Landlord shall not reassign, revoke, or otherwise interfere with Tenant's rights to these spaces during the Lease term, except in cases of emergency or as required by law.

Tenant shall also have the non-exclusive right to use, in common with Landlord, other tenants of the Building, and their guests and invitees, the common parking areas, driveways, and footways serving the Building, subject to reasonable rules and regulations established by Landlord.

11. Damage and Destruction.

The Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

12. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

13. Condemnation.

If any legally constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

14. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:

Susan Leger-Ferraro

16 Commonwealth Avenue, Salisbury, MA 01952

If to Tenant to:

Mayor Melinda E. Barrett

4 Summer Street, Haverhill, MA 01830

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

15. Brokers.

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

16. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

17. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

18. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

19. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

20. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

21. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lessor of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

22 Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

23. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

24. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Peace Love Happiness, LLC

By: Susan Leger-Ferraro, Manager

City of Haverhill

By: Mayor Melinda E. Barrett