



1 YEAR STUDIO LEASE

This Agreement made this ____ day of _____ 20____, by and between PAJAMA FACTORY, LLC, hereinafter referred to as LANDLORD, and _____, hereinafter referred to as TENANT.

In consideration of the Mutual Covenants herein contained, the parties agree as follows:

SECTION ONE DESCRIPTION OF PREMISES

LANDLORD agrees to lease to TENANT (- -) Studio #__ on the __ floor of Building __ of the PAJAMA FACTORY COMPLEX Williamsport, Lycoming County, Pennsylvania. The leased premises represent __% of the PAJAMA FACTORY COMPLEX for purposes of real estate taxes reimbursement as described in SECTION EIGHTEEN. The leased premises shall hereinafter be referred to as "premises."

SECTION TWO TERM

The term of this lease shall be for 1 year beginning on _____, 20__ and terminating on _____, 20__. TENANT shall be required to provide the LANDLORD with written notice of intention to terminate the lease at least two months prior to the end of the lease term, or prior to TENANT's intention to surrender the premises, as more fully set forth in the Personal Guarantee Addendum, attached hereto and made a part hereof.

SECTION THREE RENT

The monthly rent for said premises for the term shall be \$ _____ beginning _____, 20__ on the first day of each month thereafter until and including _____ 20__. The rent shall be payable to the LANDLORD at 1307 Park Avenue, Box 10, Williamsport, PA 17701. At the execution of this lease, TENANT shall pay to LANDLORD, the receipt thereof is hereby acknowledged, the first & last month's rent as well as the equivalent of one month's rent as a security deposit for a total of \$ _____. Rent shall be payable by the 1st of the month. Any rent not paid by the 10th of the month shall be assessed a late charge of 10% of the rent due, to be added to the monthly rent. In addition to the 10% late charge, any rent that remains unpaid after 30 days of its due date shall be assessed an additional fee of interest at 1.5% per month.

SECTION FOUR USE OF PREMISES

The premises shall be used as an _____. TENANT shall not use the premises for any other purpose without the written consent of LANDLORD. TENANT shall not carry out any activity on the premises that is a violation of the laws of the Commonwealth of Pennsylvania or the zoning of or any other ordinances of the City of Williamsport.

SECTION FIVE UTILITIES

LANDLORD shall be responsible for the payment of utilities including water, sewer, electric and heat. TENANT shall be responsible for the payment of its own phone service, as well as the cost of any installation and fees for additional security systems to the premises, which shall be at the TENANTS discretion. However, electricity for air conditioning units and dehumidifiers is not included in the lease and is strictly prohibited unless a separate AC Use Agreement is agreed to and signed by all parties.

REPAIRS AND MAINTENANCE

LANDLORD shall, at their expense, maintain the roof, walls, foundation, walk, driveway, parking areas and the structural portion of the leased premises, in good condition and repair, except when damaged by TENANT. LANDLORD will provide a functioning heating system. LANDLORD warrants that the heating system, plumbing, hot water heater and electrical systems on the premises will be in good working order and that the roof shall be free from leaks upon commencement of the term of this Lease. LANDLORD shall be responsible for the maintenance, including snow removal of the parking area and sidewalks.

SECTION SEVEN SURRENDER OF PREMISES

TENANT shall surrender the premises at the end of the lease term, in the same condition as when he took possession, allowing for the usual and reasonable wear and tear.

SECTION EIGHT DAMAGE OR DESTRUCTION OF PREMISES

If the leased premises is damaged or partially destroyed by fire, casualty or other causes not resulting from TENANT'S neglect or fault, during the term of this Lease, LANDLORD shall promptly repair them within ninety (90) days from the date of damage or partial destruction. Rent will be reduced proportionately to the extent to which damage and repair operations interfere with the business conducted on the premises by TENANT. If the repairs cannot be made within ninety (90) days from the date damage occurs, then either party shall have the option to terminate the Lease as of the date the premises was damaged or destroyed, by written notice to the other party.

SECTION NINE NON-LIABILITY OF LANDLORD FROM DAMAGES

LANDLORD shall not be liable for liability or damages claims for injury to persons or property or from any cause relating to the occupancy of the premises by TENANT, unless such damage or injury is a result of LANDLORD'S failure to maintain the premises in accordance with this Lease Agreement. TENANT shall indemnify LANDLORD from all liability, loss or other damage claims for obligations resulting from any injuries or losses of this nature, including attorney's fees and court costs incurred by LANDLORD in defending any such claims when caused by the negligence of the TENANT, his agents, servants or employees. LANDLORD shall be liable for any claims or injuries which occur as a result of negligent maintenance of the premises for which LANDLORD is responsible as more fully set forth in Section Six herein and shall indemnify TENANT from all Liability, loss or other damage claims, including attorney's fees and court costs incurred by TENANT in defending such claims.

SECTION TEN LIABILITY INSURANCE

Any TENANT who has employees and/or anticipates selling products or services to the public from within their studio on a regular basis shall procure and maintain in full force, at its expense, during the term of this Lease, public liability insurance, which shall be adequate to protect against liability for damage claims through public use of premises, in a minimum amount of \$1,000,000.00. LANDLORD and PJ Holding, LLC shall be an additional named insured in such policy and TENANT shall furnish LANDLORD a Certificate of Insurance with reference to the same.

SECTION ELEVEN ASSIGNMENT, SUBLEASE OR LICENSE

TENANT shall not assign or sublease the premises or any other right or privileges connected therewith or allow any other person, except agents, employees and customers of the TENANT to occupy the premises or any part thereof, without first obtaining written consent of LANDLORD. A consent by LANDLORD shall not be a consent for a subsequent assignment, sublease or occupation by other persons. An unauthorized assignment, sublease or license to occupy by TENANT, shall be void and shall terminate the Lease at the option of the LANDLORD. The interest of the TENANT in this Lease is not assignable by the operation of law, without the written consent of the LANDLORD.

SECTION TWELVE IMPROVEMENT OR ADDITIONS BY TENANT

LANDLORD. Improvements and Additions shall become the property of the LANDLORD without compensation to the TENANT unless specified otherwise in an Addendum to this Lease. Within ten (10) days after expiration or sooner termination of this Lease, TENANT shall remove those Improvements or Additions as directed by the LANDLORD as well as the Improvements and Additions described in the Addendum that the TENANT would like to retain, provided however, that it repairs any damage to the premises caused by any of the removals, and further provided that any such addition or improvement, not removed by TENANT shall be deemed abandoned and shall thereupon become the property of LANDLORD without compensation to TENANT.

SECTION THIRTEEN
RESTRICTIONS AGAINST MECHANIC'S LIENS

TENANT shall pay and settle all expenses and liabilities arising out of or in any way connected with any and all construction, repairs, alterations or maintenance of the premises and it shall keep the premises free and clear from liens of mechanics and materialmen, and all liens of a similar character, arising out of or growing out of the construction, repair, alteration or maintenance of the premises contracted by the tenant.

SECTION FOURTEEN
HOLDING OVER

The failure of TENANT to surrender the premises upon the termination of the lease term, and the subsequent holding over by TENANT, without consent of the LANDLORD, shall result in the creation of a tenancy for month to month at a monthly rental of 150% of the base monthly rent payable on the fifteenth day of each month during the month to month tenancy. This provision does not give TENANT any right to hold over. All other terms and conditions of this Lease shall remain in full force during any month-to-month tenancy hereunder.

SECTION FIFTEEN
NOTICES

Any notice or demand from LANDLORD to TENANT, if required by this lease, or from TENANT to LANDLORD, shall be mailed by registered or certified mail, addressed as follows:

LANDLORD: PAJAMA FACTORY
 1307 Park Avenue, Box #10
 Williamsport, PA 17701

TENANT: TENANT
 x
 x

The customary receipt shall be conclusive evidence of service and notice shall be effective as of the date of mailing thereof.

SECTION SIXTEEN
FORFEITURE

A default on the part of the TENANT in paying its rent as specified in this Lease, or in making any other payment herein provided for, and if the default shall continue for ten (10) days after written notice to TENANT, or a default on the part of the TENANT in keeping or performing any other terms or conditions of this Lease for ten (10) days after notice in writing from LANDLORD to TENANT, shall entitle LANDLORD, at LANDLORD'S option, to bring suit for said rent due, to declare the rights of the TENANT under this Lease terminated, and thereafter, recover possession of said premises through legal process.

In the event of termination and re-entry by the LANDLORD in accordance with the foregoing, TENANT shall thereby sustain, and TENANT covenants and agrees to pay all court costs incurred by LANDLORD, in any court proceedings either in law or in equity, arising out of a default or breach of covenant by TENANT.

SECTION SEVENTEEN
FIRE INSURANCE

TENANT is responsible for its own insurance to cover its contents located in the premises, and all of the personal property and equipment included in this LEASE. LANDLORD shall not be liable for any damage to the property or person of any of the TENANT'S officers, employees, agents, invitees or guests from perils customarily covered by fire and extended coverage insurance, liability insurance or act of God.

TAXES AND INSURANCE

LANDLORD shall be responsible for the fire insurance premium for the structure. TENANT shall be responsible for reimbursing the LANDLORD for the TENANT'S share, as described in SECTION ONE, of all school, county and city real estate taxes, which is non-refundable to the tenant. The current tax rate (the base rate) has been built into the lease.

SECTION NINETEEN
LANDLORD TO HAVE ACCESS

LANDLORD hereby expressly reserves the right to enter the premises and or any part, thereof, at reasonable hours and after one (1) day notice, to make regular inspections and repairs, to exhibit the premises to prospective tenants, purchasers, or others, and to perform any acts related to the safety, protection, preservation, reletting, sale or improvements of the premises. In the case of an emergency that would require immediate access LANDLORD hereby expressly reserves the right to enter the premises and or any part, thereof, with or without notice. LANDLORD supplied lock and keys shall be the sole security device allowed on the doors and they may not be replaced or modified without permission from the LANDLORD.

TENANT shall have the right to peacefully hold and enjoy said leased premises without unreasonable hindrance or interruption by LANDLORD or any person or persons claiming by, through, or under him until the end of such term.

SECTION TWENTY
WAIVER

No waiver by either of the parties hereto to any provisions or breach hereof, shall be deemed a waiver of any other provision or of any other subsequent breach by the TENANT or the LANDLORD of the same or any other provisions. The LANDLORD and TENANT'S consent to or approval of any shall not be deemed to render unnecessary the obtaining of the LANDLORD'S or TENANT'S consent to or approval of any subsequent act.

SECTION TWENTY-ONE
LAW

This Lease and the performance hereunder shall be governed by the laws of the Commonwealth of Pennsylvania except that tenant waives the right to any notice to quit as may be specified in the landlord and tenant act of Pennsylvania, as amended from time to time.

SECTION TWENTY-TWO
HEADINGS

This instrument's headings and the paragraph headings are for quick reference and convenience only and do not alter, amend or otherwise affect the terms, conditions, and agreements set forth herein.

SECTION TWENTY-THREE
PARK OR SHARED AREA

TENANT and its employees, guests and invitees shall be permitted to share, for business purposes, the parking areas surrounding the leased premises. Restroom facilities located in the structure shall also be shared between LANDLORD and TENANT and other TENANTS.

This Lease shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed and delivered this Lease as of the date first above written,

PAJAMA FACTORY, LLC
By Barbara Andreassen, Leasing Manager

TENANT
By _____

PERSONAL GUARANTEE ADDENDUM

This agreement dated the ___ day of ____ 20__ between the **Pajama Factory LLC**; hereinafter referred to as LANDLORD, and _____, hereinafter referred to as TENANT, shall be a Personal Guarantee Addendum to the Lease between the same parties executed this same date.

Notwithstanding anything to the contrary contained in the Lease, TENANT’S liability shall be limited to liabilities accrued during the period of TENANT’s occupancy to the time that TENANT (or its successors or assigns) surrenders possession of the demised premises to the LANDLORD. For purposes of this Addendum/ Personal Guarantee only, “surrenders possession” shall mean written notification to LANDLORD of TENANT’S intent to surrender the demised premises delivered to LANDLORD in accordance with the terms and provisions of the LEASE, the removal by TENANT of all its property (merchandise, personal property, and non-fixed furnishings), the actual surrender to LANDLORD of the demised premises, broom clean, in good order and condition, ordinary wear expected, the full payment of all fixed and additional rent due to the surrender date.

Nothing in this Personal Guarantee Addendum shall be construed so as to limit the liability of TENANT under the Lease. TENANT is required to give LANDLORD two (2) months written notice of the day it is planning to vacate the demised premises and terminate the lease. Upon receipt of two (2) month written notice and payment of rent up to and including the end of the two-month period, LANDLORD will cancel this Lease Agreement and the requirement of TENANT to pay monthly rent until the end of the term and the security deposit will be forfeited by the TENANT.

Any terms in this Personal Guarantee Addendum which are in conflict with the Lease Agreement, shall supersede the terms of said Lease Agreement.

PAJAMA FACTORY, LLC
By Barbara Andreassen, Leasing Manager

TENANT PERSONAL GUARANTOR
By _____

Soc. Sec. # _____

