

# Commercial Real Estate Due Diligence Checklist

## 1. Physical

- a. Property description including detailed description of mechanical systems
- b. Plans and specifications, if available
- c. Roof report
- d. Engineering reports to cover the following items:
  - i. Structure including the condition of the slab, columns, bumpers, structural walls, exterior walls, exterior doors, and dock doors
  - ii. Masonry
  - iii. Exterior caulking
  - iv. Exterior painting
  - v. Washrooms and locker rooms
  - vi. Interior ventilation
  - vii. Unit heaters
  - viii. Mechanical systems including sprinkler systems, electrical, plumbing, and HVAC
  - ix. Lighting, ceiling tiles and light lenses, dry wall, entrance steps
  - x. Compliance with laws and ordinances (including ADA)
  - xi. Building size
  - xii. Parking lot
  - xiii. Landscaping
- e. Phase I Environmental Assessment (including asbestos)
- f. Phase II Environmental Assessment, if recommended by engineer
- g. Floor or space plans
- h. Warranties (including roof) and assignability thereof
- i. Meters in multi-tenant spaces
- j. Permits
- k. Soil Analysis for load bearing capacity, if required
- l. Access and other appurtenant rights, such as easements that benefit the property
- m. Code violation search from the local municipality, if required
- n. ADA compliance

## 2. Tenant Analysis (If There Are Tenants)

- a. Financial statements and credit reports (very important during a recession)
- b. Tenant interviews covering the tenants plans regarding the building, comments regarding the building and its management, and a discussion of the business outlook of the tenant.

## 3. Economics of Property

- a. Analysis of historical income and expense statements
- b. Comparison of historical income and expense statements to purchaser's pro formas/budgets
- c. Cash flow analysis
- d. Review of tenant files including billing statements, tenant collections, and comparison to lease
- e. Review and analyze reimbursable and nonreimbursable expenses

## 4. Lease Analysis (If There Are Tenants)

- a. Review all leases and abstract the same
- b. Analyze lease problems, if any
- c. Analyze for conflicts with respect to expansion rights and option space in multiple tenant buildings
- d. Analyze potential conflicts between use clauses and restrictions on retail multi-tenant properties
- e. Review options to purchase, options to terminate, and rights of extension or renewal
- f. Review "Go-Dark" clauses and assignability clause on multiple tenant retail properties

5. Market Analysis

- a. Rent comparable and sale comparable
- b. Market descriptions/supply and demand

6. Legal

- a. Review the title commitment and exception documents
- b. Review survey
- c. Review searches
- d. Review zoning

7. Ancillary Contracts

- a. Insurance
- b. Certificates of occupancy or equivalent
- c. Management contracts to manage the property
- d. Service contracts: Cancellation clause
- e. Other agreements

**CHECK LIST OF AREAS OF CONCERN AND DUE DILIGENCE FOR A  
COMMERCIAL LEASE AND/OR PURCHASE**

1. Address of Property
2. Zoning of Property
3. Term of Lease
4. Rent
  - a. If not flat, then what type?
5. Deposits
6. Expiration
7. Renewal Option
8. Floor Area
9. Commencement Date
10. Early Termination
11. Improvements
12. Prohibited Uses
13. Tenants Use
14. Exclusive Use
15. Title
16. Taxes
17. Insurance
18. Utilities (Direct)
19. Maintenance and Repairs
20. CAM (Common Area Maintenance)
21. Signage
22. Parking
23. Landlord Inspections
24. Vacation of Premises
25. Exterior and Structural Changes
26. Surrender
27. Quiet Possession
28. Landlord's Repairs
29. Hazardous Materials
30. ADA Compliance
31. Landlord Services
32. Defaults (Tenant-Landlord)
33. Estoppel Certificate
34. Condemnation
35. Fire or Other Casualty
36. Liability Insurance, Worker's Compensation, Property
37. Waiver of Subrogation
38. Notices
39. Indemnity
40. Co-Tenancy
41. Right of First Refusal
42. Not a Joint Venture
43. Successors and Assigns
44. Waiver
45. Memorandum of lease (Record)
46. Holding Over
47. Interpretation of Agreement
48. Attorney Fees
49. Broker's Commission
50. Choice of Law
51. Arbitration/Mediation

## COMMERCIAL TRANSACTION CLOSING CHECKLIST

\*Compare and check this list against closing instructions provided by the lender.

1. Date
2. File No.
3. Buyer
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
4. Buyer Counsel
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
5. Seller
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
6. Seller Counsel
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
7. Lender
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
8. Lender's Counsel
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
9. First Mortgage
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
10. Title Insurer
  - a. Name
  - b. Address
  - c. Phone
  - d. Email
11. Guarantor

- a. Name
  - b. Address
  - c. Phone
  - d. Email
12. Project
- a. Address
  - b. Legal Description
13. Purchase Price
14. Prorated Items as of \_\_\_\_\_
- a. Insurance
  - b. Security Deposit
  - c. Prepaid Rent
  - d. Personal Property Taxes
  - e. Real Estate Taxes
  - f. Special Assessments
  - g. Mortgage Payments
  - h. Utility Expenses
  - i. Electricity
  - j. Gas
15. Items to be delivered and to whom (Buyer, Seller, Lender)
- a. Deposit
  - b. Sale Agreement
  - c. Loan Agreement
  - d. Buy-Sell Agreement
  - e. Lending Commitment
  - f. Warranty Deed/Assignment of Leases
  - g. Bill of Sale and Assignment
  - h. Promissory Note
  - i. Mortgage
  - j. Release of Mortgage
  - k. Assignment of Lessor's Interests in Leases
  - l. Guaranty Agreement
  - m. Notice of Lease Assignment
  - n. Tenant Notice Letter
  - o. Owner's Title Policy Commitment
  - p. Mortgagee's Title Policy Commitment
  - q. First Mortgage Loan Documents
  - r. Assumption Agreement
  - s. Assignment of Insurance Policies
  - t. Abstract
  - u. Owner's Title Policy
  - v. Mortgagee's Title Policy
  - w. Survey
  - x. Plans and Specifications
  - y. Appraisal
  - z. Insurance Policies
  - aa. Seller's Certificate of Rent Roll, Inventory, Contracts
  - bb. Rent Roll with Security Deposits

- cc. Inventory
- dd. Contracts or Leas Affecting Property
- ee. Termite Certificate
- ff. Flood Hazard Certificate
- gg. Building Permit
- hh. Building Code Certificate
- ii. Certificate of Occupancy
- jj. Lien Affidavit
- kk. Mortgage, Conveyance, UCC-1 and Tax Certificate
- ll. Closing Memorandum
- mm. Cash to Closing

16. Expenses (Buyer, Seller, Lender)

- a. Attorney's Fee
- b. Recording Fee
- c. Deed
- d. Mortgage
- e. Release of Mortgage
- f. Certificates
- g. Abstract Fee
- h. Survey
- i. Inspection Fee
- j. Mortgagee's Title Policy
- k. Owner's Title Policy

## Authority in a Real Estate Transaction

1. Individuals
  - a. Is the individual single?
  - b. If married, must consider whether community property applies?
  - c. If married, has the couple entered into an agreement for separate property?
  - d. If living separate and apart, has a Court terminated the community property regime?
  - e. If divorced, is there a Community Property Settlement field?
2. Co-Owners
  - a. Ask to see previous sale if co-owners are the sellers.
  - b. Inquire whether there is a written or oral agreement between the co-owners.
3. Partnerships
  - a. How many partners are there?
  - b. Are there relevant Partnership Agreement provisions regarding the sale or purchase of property? There must be a Partnership Agreement in order for a Partnership to own immovable property in Louisiana.
  - c. Critical parties to Authorizations: Partners, may be general or limited.
  - d. Critical Documents: Partnership Agreement (must be written)
4. Corporations
  - a. Pull what is filed with the Secretary of State.
  - b. Are there relevant Corporate Provisions regarding the sale or purchase of property?
  - c. Inquire whether there is a Corporate Resolution authorizing the sale/purchase and/or authorizing an individual to sign on behalf of the corporation.
  - d. Critical parties to Authorizations: President, Vice President, Secretary, Board Members.
  - e. Critical Documents: Articles of Incorporation, Resolution of the Board
5. Limited Liability Companies
  - a. Pull what is filed with Secretary of State.
  - b. Are there relevant Operating Agreement provisions regarding the sale or purchase of property? (Operating Agreement is the agreement between the members delineating what the members and/or manager(s) may do
  - c. Inquire whether there is a Certificate of Authority authoring the sale/purchase and/or authorizing an individual to sign on behalf of the corporation?
  - d. Critical parties for Authorizations: members and/or managers
  - e. Critical Documents: Articles of Organization, Operating Agreement
6. Trusts
  - a. Ask to see Trust formation documents.
  - b. Inquire whether there is a resolution authorizing the sale/purchase signed by all Trustees appointing an individual to sign on behalf of the Trust.
  - c. Critical parties for Authorizations: Trustee
  - d. Critical Documents: Trust documents, Extract of Trust
7. Succession
  - a. Inquire whether the succession is open or have the heirs been actually placed into possession (a Judgment of Possession has been signed by the Court).
  - b. Is the succession testate (with a will and testament) or intestate (without a will and testament)?

- c. Inquire whether an Executor/Executrix or Independent Administrat(or/trix) has been appointed by the Court. If so, ask to a copy of the Letters Testamentary or Letters of Independent Administration.
  - d. Critical parties for Authorizations: Executor, Administrator, Heirs, Legatees
  - e. Critical Documents: Letters Testamentary, Letters of Independent Administration, Judgment of Possession
- 8. Tax Sales
  - a. If dealing with a tax sale purchaser, an abstract and title opinion should be obtained before proceeding too far with a deal due to the complexities of title issues involved.
  - b. Generally, a tax sale purchaser cannot warrant title and many underwriters will not issue a title policy on said properties.



## Types of Commercial Real Estate Leases

Type of Lease	Rent Basis	Often Used In
Percentage Lease	Base Rent + Percent of Monthly Sales	Retail Businesses; Malls
Net Lease	In addition to rent, tenant pays some or all of taxes, insurance, or maintenance.	Any commercial lease; usually favors landlord's interests.
Double Net Lease	Tenant pays rent + taxes and insurance.	Any commercial lease; usually favors landlord's interests.
Triple Net Lease	Tenant pays rent + taxes, insurance, and maintenance.	Any commercial lease; usually favors landlord's interests.
Fully Serviced Lease (Gross Lease)	Landlord directly pays all or most usual costs. These costs are often passed on to the tenant in rent as a "Load Factor."	Office, Some industrial and retail leases.

- **Base Rent:** This is the very least you'll have to pay each month – other fees, if any, are added to this amount. Think of it as the base of a hill or mountain.
- **Double Net Lease:** "Double" means two additional costs will be added to your base rent: tax and insurance costs incurred by the landlord.
- **Fully Serviced Lease:** Also called a gross lease, your landlord will take responsibility for paying for most of the "extras," but make no mistake, they will most likely trickle down to you as a "load factor." You can think of "fully serviced" as "it includes everything," but your rent will most likely be substantially more than "base rent."
- **Load Factor:** [Load factor](#) is a method of calculating total monthly rent costs combining usable square feet with a percentage of the square feet of common areas used by all tenants. Common areas typically include restrooms, lobby, elevators, stairwells, and hallways. If you share a building with three other tenants and each of your usable square feet – the area you're actually renting as your store or office – is substantially equal, your percentage contribution toward the common areas might be 25 percent or so.
- **Net Lease:** This is a somewhat undefined version of a double or triple net lease. You'll pay for some taxes, insurance and maintenance costs incurred by the landlord, if not 100 percent of one or all of them. The percentage can often be negotiable.
- **Percentage Lease:** The word "percentage" does not relate to the usable square feet you can claim as your own in a commercial building nor the percentage of taxes, insurance, and maintenance you might pay as part of a net lease. It's a percentage of your monthly sales over a certain threshold. You might expect to pay this if you rent retail space in a mall.
- **Rentable Square Feet:** This is your usable square feet plus your percentage of the common area square footage.
- **Triple Net Lease:** "Triple" means three additional costs over and above your base rent: taxes, insurance, and maintenance.



**5. ACT OF SALE.** The Property shall be sold and purchased at a closing to be held on or before, OCTOBER 15, 2018, at a time and place mutually acceptable and agreed to by both the SELLER and BUYER. At closing SELLER shall deliver to BUYER, at SELLER's sold cost and expense:

- a. ONE HUNDRED (100%) PERCENT interest of the Property ownership by a valid Act of Cash Sale (the “Deed”) conveying title of the Property to BUYER;
- b. Possession of the Property; and
- c. Such other documents as are reasonably requested by the Title Company or BUYER to close the sale and purchase of the Property.

7. **DEPOSIT.** Within **FIFTEEN (15)** business days following receipt of BUYER of a duly executed copy of this Agreement evidencing SELLER's acceptance, BUYER shall deliver to **BUYER'S CHOICE OF TITLE COMPANY** ("Escrow Agent"), for deposit, the sum of **FIVE THOUSAND AND NO/100 (\$5,000) DOLLARS**, to which the deposit shall be applied to the purchase Price of the Property.

Failure to deliver the Deposit shall be considered a breach of this Agreement.

8. **FINANCING:** This sale is subject to the follow financial terms: BUYER to acquire financing for NINETY (90%) PERCENT OF PRICE, all in accordance with SECTION 9: LOAN APPLICATION stated herein.

THIS SALE is CONDITIONED upon the ability of BUYER to borrow upon this property as security the principal sum of ONE MILLION THREE HUNDRED FIVE THOUSAND AND

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use pursuant to Louisiana Civil Code article 2524. **It is understood that this clause shall be made a part of the deed.**

**13. INSPECTION DUE DILIGENCE PERIOD.** The BUYER acknowledges that the benefits of conducting a professional inspection have been explained. The BUYER **does** desire to conduct an inspection. All of the inspections are to be completed within ONE-HUNDRED AND FIFTY (150) calendar days after the acceptance of this Agreement by all parties to, at BUYER'S expense, perform inspections, formulate plans, obtain reports or studies (to include, but not limited to environmental studies), surveys, tests, determine the availability and/or affordability of any required or desired property, flood or other type of insurance, determine the existence of any asbestos and/or any other hazardous material or substance as defined by federal, state or local law and which may require investigation or remediation by same, examination of title and title restrictions/covenants, verify all property dimensions and measurements to include lot size, square footage and room measurements, verify zoning and zoning restrictions, determining the feasibility of obtaining any necessary building permits, and perform any other function or activity BUYER feels necessary to conduct due diligence to determine if the Property is acceptable to BUYER or is suitable or acceptable for BUYER'S intended use or needs. This period of time is hereinafter referred to as the Due Diligence Period and the process of BUYER determining the acceptability or suitability of the Property is referred to as Due Diligence. BUYER may use experts or others of BUYER'S choosing to perform inspections, formulate plans and assist in Buyer's Due Diligence.

If at any time during the Due Diligence Period the BUYER determines, for any reason within BUYER'S sole discretion, that the Property is not acceptable or suitable to BUYER or if the BUYER is not satisfied with any inspection, plan, report, study, survey, tests or any other Due Diligence function or activity performed, the BUYER has the right to declare the Agreement to be null, void and cancelled in which event BUYER'S deposit will be returned to BUYER in full and the BUYER will no longer be obligated to buy the Property. To exercise this right to cancel the Agreement, the BUYER must notify the SELLER or SELLER'S Designated Agent in writing prior to the expiration of the Due Diligence Period. Failure of the BUYER to timely notify the SELLER or SELLER'S Designated Agent in writing of the BUYER'S desire to cancel the Agreement will be conclusively construed as the BUYER'S acceptance of the Property and the BUYER will subsequently lose the right to cancel the Agreement under the terms provided during the Due Diligence Period.

All Due Diligence activities conducted by BUYER during the Due Diligence Period will be nondestructive to the Property and will not unduly interfere with the SELLER'S or any tenant's current use of the Property. BUYER agrees not to rely on any information provided by SELLER or SELLER'S Designated Agent or Broker but instead to obtain all Due Diligence information from independent sources deemed reliable by BUYER.

SELLER agrees to provide all necessary utilities for BUYER'S inspections, testing and Due Diligence. SELLER hereby agrees that at any reasonable time during the term of the Due Diligence Period, BUYER or BUYER'S agents may enter upon the Property provided reasonable notice of such entry is given to SELLER and make, at BUYER'S sole cost, risk and expense, any inspections, tests, surveys, studies or other activities related to BUYER'S Due Diligence.

BUYER shall defend, indemnify and hold SELLER, all Brokers and all Designated Agents harmless from and against any and all claims, demands, causes of actions, proceedings and lawsuits for any and all damages, losses, reimbursement, compensation, injuries, costs, expenses and other relief of any and

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SELLER'S INITIALS

Upon completion of the inspection(s) and during the inspection period, and if the BUYER is not satisfied with the property's present condition as reflected in the inspection report(s), the BUYER may reject the property or request that the SELLER remedy the deficiencies. If the BUYER rejects the property during the inspection period, the contract is null and void and the deposit returned to the BUYER. A copy of the inspection report is to accompany the written rejection of the property.

- a. Accept the SELLER'S response as written;
- b. Accept the property in its present condition;
- c. Terminate the contract, and the deposit returned to the BUYER

BUYER'S failure to make inspections or to give written notice of deficiencies and desired remedies to the SELLER (or SELLER'S Agent) within the inspection period shall be deemed as acceptance by the BUYER of the property's current condition.

14. **REPAIRS:** In the event repairs are required as a condition of obtaining the loan(s) upon which the Agreement is conditioned, the parties agree to and do extend the date for closing the Act of Sale to a date not more than **NINETY (90)** calendar days from the stated date of Act of Sale.

- a. BUYER rejects the property as a result of the inspection during the Due Diligence and Inspection period;
- b. BUYER's inability to obtain a loan or the loan is not obtained within the stated date provided, that the BUYER has made timely applications for the loan and made good

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faith efforts to obtain the loan;

- c. Property does not appraise to the Sale Price and the SELLER will not reduce the selling price to the appraisal value if the offer is conditioned upon an appraisal; or
- d. BUYER does not accept the lease or assessments if these are a condition of the offer and within the inspection period.

**16. SURVEY.** BUYER is to obtain, at BUYER's expense, its own survey. SELLER shall provide BUYER with existing surveys in its possession. If such survey cannot be completed prior to the Act of Sale date, the BUYER and SELLER mutually agree to extend the Act of Sale date thirty (30) days or longer, depending on the ability of a certified engineer to complete a survey.

**17. UCC SEARCH:** Any UCC search (SELLER'S title to furniture, fixtures, equipment or appliances) deemed necessary by the BUYER or Lender shall be obtained at BUYER'S expense. Any encumbrances reflected in the UCC search certificate shall be cancelled in advance of closing or paid out of closing proceeds. SELLER shall pay all costs required to cancel or release any such encumbrances.

**18. HAZARDOUS MATERIALS.** BUYER, may at its sole discretion, obtain their own environmental report within ONE-HUNDRED AND TWENTY (120) calendar day period and determine if the Property is acceptable to BUYER's requirements regarding hazardous materials. Upon BUYER requesting an environmental report to be completed, both the BUYER and the SELLER mutually agree to extend the Act of Sale date to accommodate the completion of such report.

**19. PRIVATE WATER/SEWERAGE:** In the event there is a private water system or private sewerage system on the Property, the SELLER shall provide, at SELLER'S expense, approval by the appropriate governmental entity of the private water or sewerage system. An approved sewerage and/or water inspection report will be issued within THIRTY (30) calendar days prior to the Act of Sale by the appropriate governmental agency. The approved inspection and test on the water and/or sewerage system are to be furnished and paid for by the SELLER. Any private water system or private sewerage system repairs necessary to obtain approved inspection certificate will be paid by SELLER.

**20. REPRESENTATIONS OF SELLER.** SELLER makes the following representations to BUYER which are true and correct as of the date of execution of this Agreement and which shall be true and correct at Closing:

- a. SELLER holds good and indefeasible title to the Property, free and clear of any liens, encumbrances or adverse claims;
- b. To the best of SELLER's knowledge, SELLER has not received any notice, and has no actual knowledge, of any pending or threatened litigation or pending or threatened condemnation proceeding affecting the Project;
- c. To the best of the SELLER's knowledge, there are no mechanic's liens or unrecorded liens against the Property or for any activities attributable to SELLER, its agents or employees; and

\_\_\_\_ BUYER'S INITIALS

\_\_\_\_ SELLER'S INITIALS

- d. SELLER is a Louisiana limited liability company, validly existing and in good standing, with full power and authority to enter into this Agreement, to consummate the sale and purchase of the Property, and to perform the covenants and agreements of SELLER, all as contemplated by this Agreement.

**21. BUYER'S AND SELLER'S OBLIGATIONS AT CLOSING.** BUYER, at BUYER's expense, may obtain their own title abstract and determine if title is satisfactory. SELLER agrees to forward all present title information within TEN (10) calendar days of signing of Purchase Agreement by both SELLER and BUYER.

**22. CLOSING COSTS.** BUYER shall pay for title search or abstract preparation of title, it's attorney and closing fees, survey, title insurance premium and other expenses in connection with BUYER's obligations hereunder. SELLER shall pay for its transfer tax, recording fees, its attorney and closing fees.

**23. DELIVERY OF DOCUMENTS OR INFORMATION BY SELLER:** In addition to any other documents or information that SELLER is required to furnish BUYER elsewhere in this Agreement, the SELLER will provide the following to BUYER within THIRTY (30) calendar days after acceptance of this Agreement by all parties:

- a. Copies of any and all reports and/or studies made by the Environmental Protection Agency (EPA) or other authority having jurisdiction over the Property;
- b. Copy of the most recent survey on the Property;
- c. Copy of any notice of any pending or threatened litigation or pending or threatened condemnation proceeding that could affect the Property; and
- d. A written statement describing any existing lien(s), encumbrances, mechanic's liens, unrecorded liens or adverse claims on the Property.

If SELLER is unable to provide any of the above stated documents, then SELLER will provide within the aforementioned time period with a written statement describing the reason SELLER can not provide the document(s). Failure of SELLER to timely furnish BUYER with the herein described documents or a written statement describing the reason SELLER can not provide certain documents, will give the BUYER the sole right to cancel this Agreement in which event BUYER'S Deposit will be returned to BUYER in full. BUYER can exercise this right to cancel the Agreement at any time from the aforementioned deadline date for SELLER to deliver the stated documents to BUYER until the time SELLER actually delivers the documents to BUYER at which time BUYER will lose this right to cancel the Agreement. BUYER also has the right to demand that SELLER fulfill SELLER'S obligation to furnish the stated documents in which event BUYER will retain the right to subsequently cancel this Agreement as previously stated herein.

**24. SELLER'S TITLE:** SELLER'S title shall be merchantable and free of all liens, encumbrances, and defects, except those that can be satisfied at the act of sale or insured by title insurance. If curative work in connection with the title is required, the parties agree to extend the time for closing the sale by NINETY (90) calendar days. SELLER shall pay all costs required to make the title merchantable,

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including all necessary tax and mortgage releases, certificates, and cancellations, if any. In the event the title is not valid or merchantable, this Agreement may be declared null and void at the option of the BUYER.

**In the event Act of Sale is extended under the terms stated herein, then SELLER will pay all costs related to extending BUYER'S loan commitment to the extended Act of Sale date since the extension of Act of Sale was through no fault of BUYER but rather SELLER'S inability to timely deliver a merchantable title.**

**25. TITLE INSURANCE:** In addition to SECTION 24: SELLER'S TITLE, it is agreed and understood that purchases of property in excess of ONE MILLION AND NO/100's (\$1,000,000.00) DOLLARS are subject to Title Insurance Underwriter approval. If such approval cannot be acquired timely, BUYER and SELLER mutually agree to extend the Act of Sale date to such time that all requirements set forth by the Title Insurance Underwriter have been met and title insurance can and will be committed for issuance at the loan amount, or greater as demanded by Lender, and/or BUYER's required amount.

**26. INSURANCE.** The risk of loss or damage will lie with the SELLER until the Purchase Price has been paid and the BUYER has taken possession of the property, all in accordance with the Purchase Agreement. If loss or damage to the Property occurs before the SELLER is paid the Purchase Price, then any insurance proceeds shall be held in trust for the BUYER and the SELLER according to their interests in the Property.

**27. ZONING:** This offer is subject to the property having a current zoning designation by the proper zoning authority or authorities which allows the property to be used for MIXED-USE COMMERCIAL PURPOSES and related facilities. If the zoning designation of the property does not allow for said use and related facilities, then BUYER has the right, but not the obligation, to apply, at BUYER'S sole cost, for the proper zoning designation. SELLER will reasonably cooperate with the zoning designation request and provide within reason any information BUYER requests so that the proper zoning designation application can be made. Should a new zoning designation be required, the BUYER must make formal request with the proper zoning authority within NINETY (90) calendar days of the acceptance of this Agreement or this Agreement is null and void, and any deposit made herein by BUYER shall be returned to BUYER immediately. In the event that the process to change zoning designation requires additional time, the parties mutually agree to extend the time for closing the Act of Sale by NINETY (90) calendar days.

**28. LEASES:** The property ☐ IS ☐ IS NOT leased currently. If leased, then this offer is conditioned on BUYER's receipt, review, and approval of written leases within calendar days from the date of acceptance of this Agreement.

**29. FINAL WALK-THROUGH:** BUYER shall have the right to review the property within THIRTY (30) calendar days prior to the act of sale or occupancy, whichever occurs first, in order to determine if the property is in the same or better condition as was present at the initial inspection. If the property is not in the same or better condition, then SELLER shall be obligated to perform, at SELLER'S sole expense, all work necessary to place the property in the condition that it was in at the time of the initial inspection.

**30. DEFAULTS.** If BUYER has performed or tendered full performance of all of BUYER'S

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**34. GOVERNING LAW.** This Agreement shall be construed in accordance with the LAWS OF THE STATE OF LOUISIANA. Time is of the essence of this Agreement. If the final day of any time period or limitation set out in any provision of this Agreement falls on a Saturday, Sunday or legal holiday under the State of Louisiana, then such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

**35. MODIFICATION OF THIS AGREEMENT.** This Agreement may not be modified, amended or terminated except in writing signed by the SELLER and the BUYER or their respective successors or assigns. This Agreement contains the entire understanding of the parties hereto with regard to the subject matter contained herein, and supercedes all prior agreements or understanding between or among the parties needs relating to such subject matter. The BUYER and the SELLER may waive any of the conditions contained herein or any of the obligations of the other party hereunder, but any such waiver shall be effective only if in writing and signed by the party waiving such condition or obligation.

**36. AUTHORITY.** Each party represents unto the other that this Agreement, the transaction contemplated herein, and the execution and delivery thereof, have been duly authorized by all necessary proceedings and actions.

**37. SEVERABILITY.** It is mutually agreed by the parties hereto that any provision contained in this Agreement which shall by its nature or terms impose any obligations or duty upon any party hereto, or give any right or benefit to any party hereto, continuing beyond the date of conveyance of the Property, will not be canceled, but will instead survive such conveyance and will continue in full force and effect until all such obligations and duties are fully performed and all such rights and benefits are fully realized.

**38. ASSIGNABILITY.** BUYER shall have the right to assign this Agreement and all of BUYER's rights and remedies hereunder, with prior written consent by SELLER, which consent shall not be unreasonably withheld. In such case BUYER shall be relieved of all obligations hereunder and the assignee shall succeed to all of BUYER's and obligations and for all purposes be substituted and deemed to be BUYER hereunder. This Agreement may not be assigned, pledged, or hypothecated by SELLER without the prior written consent of the BUYER, and any attempt to do so without such consent shall be void and in no way binding upon the BUYER. to the above limitation on assignment, this Agreement shall be binding upon and inure to the benefit of the successor and assigns of the parties hereto. If an assignment has been properly consented to and the assignee has assumed all the obligations of the assignor hereunder, then the assignor shall be relieved of all further obligations hereunder. Notwithstanding the above, BUYER may assign this Agreement to an affiliate or to a limited or general partnership in which it or an affiliate is the general partner without the consent of SELLER.

**39. ROLES OF BROKERS AND DESIGNATED AGENTS:** Broker(s) and Designated Agent(s) have acted only as real estate brokers to bring the parties together and make no warranty to either party for performance or non-performance of any part of this Agreement or for any warranty of any nature unless specifically set forth in writing. Broker(s) and Designated Agent(s) make no warranty or other assurances whatsoever concerning Property measurements, square footage, room dimensions, lot size, Property lines or boundaries. Broker(s) and Designated Agent(s) make no representations as to suitability or to a particular use of the Property, and BUYER has or will independently investigate

\_\_\_\_ BUYER'S INITIALS

\_\_\_\_ SELLER'S INITIALS



Acknowledging the aforementioned roles of Brokers and Designated Agents, BUYER agrees to release and hold harmless all Brokers and Designated Agents from any and all liability, loss, claims, demands, causes of action, proceedings and lawsuits related in any way to anything that is stated above.

**41. DEADLINES:** TIME IS OF THE ESSENCE and all deadlines are final, except where modifications, changes, or extensions are made in writing and signed by all parties to this Agreement. All “calendar days” as used in this Agreement shall end at 12:00 midnight in Louisiana.

43. LIST ADDENDA TO BE ATTACHED AND MADE A PART OF THIS AGREEMENT:

- |                          |  |
|--------------------------|--|
| <input type="checkbox"/> |  |
| <input type="checkbox"/> |  |
| <input type="checkbox"/> |  |
| <input type="checkbox"/> |  |

**44. ADDITIONAL TERMS AND CONDITIONS:**

SELLER'S INITIALS

- SELLER TO PAY ALL REAL ESTATE COMMISSIONS, INCLUDING BUYER'S AGENT, PORTION, WHICH HE HAS BEEN ADVISED BY ANDREW SHEPARD, THAT HAS BEEN CONTRACTED FOR BY BETWEEN THE SELLER AND CRANE REAL ESTATE BROKERS, INC.

**45. REFERENCE TO THIS AGREEMENT TO BUY OR SELL COMMERCIAL PROPERTY:** This agreement to buy or sell commercial property is referred to herein as the/this Agreement.

**BUYER(S):**

**BUYER(S)**

---

Signature
Date/Time

---

Print Name \_\_\_\_\_
Date/Time \_\_\_\_\_

---

Address

---

Telephone	E-mail
-----------	--------

This offer is: Accepted Rejected (without counter) Countered (See Attached Counter) by:

SELLER(S)

SELLER(S)

---

Signature
Date/Time

---

Print Name \_\_\_\_\_
Date/Time \_\_\_\_\_

SELLER'S INITIALS

---

Address

---

Address

---

Telephone	E-mail
-----------	--------

---

E-mail

Telephone	E-mail
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---

E-mail

This offer was presented to the Seller/Buyer by Day/ Date/ Time AM/PM MIDNIGHT/NOON

\_\_\_\_ BUYER'S INITIALS

\_\_\_\_ SELLER'S INITIALS

Listing Firm _____			Selling Firm _____			
Seller's Designated Agent _____			<input type="checkbox"/> <b>Dual Agent</b>	Buyer's Designated Agent _____		
Phone Number	Office	Fax		Phone Number	Office	Fax
Email Address _____				Email Address _____		
Delivered by Designated Agent to _____				Day	Date	Time AM/PM
Comments _____						
Received by Designated Listing Agent _____				Day	Date	Time AM/PM

### AGREEMENT TO BUY OR SELL COMMERCIAL PROPERTY

Date: \_\_\_\_\_

**PROPERTY DESCRIPTION:** I/We offer and agree to Buy/Sell the property at:

(Municipal Address) \_\_\_\_\_

City \_\_\_\_\_; Zip \_\_\_\_\_; Parish \_\_\_\_\_; Louisiana,

(Legal Description) \_\_\_\_\_

on lands and grounds measuring approximately \_\_\_\_\_

#### INCLUSIONS AND EXCLUSIONS TO THE SALE:

The following movable items will remain with the property and are included in the Sale Price: all buildings, structures, component parts, and all installed, built-in, permanently attached improvements, together with all fences, security systems, all installed speakers or sound systems, all landscaping, all air conditioning or heating systems including window units, all outside TV antennas, all satellite dishes, all installed or built in kitchen appliances, all ceiling fans, all bathroom mirrors, all window coverings, blinds and associated hardware, all built in desks and shelves, all insulation, all millwork, all fireplaces and fireplace mantels, all garage doors and garage door openers, all shutters, all flooring, all carpeting, all cabinet tops, all cabinet knobs or handles, all doors, all door knobs or handles, all windows, all electrical systems and electrical fixtures, all roofing, gutters and downspouts, all sprinkler systems, all plumbing systems and plumbing fixtures, all water heaters or water supply or conditioning systems, telephone distribution systems (lines, jacks and connections), suspended ceilings, all installed lighting fixtures and associated hardware, all wall coverings, all other constructions permanently attached to the ground. The following items will also remain with the property and are included in the Sale Price:

The following items are excluded from the sale: \_\_\_\_\_

**PRICE:** The Property will be sold and purchased subject to title and zoning restrictions, servitudes of record, and law or ordinances affecting the Property for the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "Sale Price").

**ACT OF SALE:** The Act of Sale is to be executed on or some time within \_\_\_\_\_ calendar days prior to \_\_\_\_\_, 20\_\_\_\_ before a settlement agent or Notary Public to be chosen by BUYER. The exact place, time and date of Act of Sale will be set by BUYER upon

Seller's Initials

Buyer's Initials



Property Address \_\_\_\_\_

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the giving of five (5) calendar days advance written notice thereof to SELLER. Act of Sale must take place in the Greater New Orleans Metropolitan Area. Any change of the date for execution of the Act of Sale must be mutually agreed upon in writing and signed by SELLER and BUYER. At closing, BUYER must provide "good funds" if required by Louisiana statute LA R.S. 22:2092.2 *et seq.*

**MINERAL RIGHTS:** The SELLER transfers all mineral rights to the BUYER without warranty.

**SECURITY DEPOSITS AND KEYS TO THE PROPERTY:** Rental security deposits and keys are to be transferred to BUYER at Act of Sale.

**OCCUPANCY:** Occupancy of the property is subject to any existing leases. Occupancy of any portion of the property that is not leased is as follows: \_\_\_\_\_

**POSSESSION:** Possession is to be granted at Act of Sale or on \_\_\_\_\_

☐ **ALL CASH SALE:** The sale is not conditioned upon the ability of the BUYER to obtain a loan for the purchase of the Property and BUYER warrants having cash readily available to close the sale of this Property.

☐ **FINANCED SALE:** This sale is conditioned upon the ability of BUYER to borrow with this Property as security for the loan the sum of \$ \_\_\_\_\_ or \_\_\_\_\_% of the Sale Price by a mortgage loan at an initial interest rate not to exceed \_\_\_\_\_% per annum, Interest and principal, amortized over a period of not less than \_\_\_\_\_ years, payable in monthly installments. BUYER agrees to pay discount points not to exceed \_\_\_\_\_% of the loan amount. BUYER agrees to pay origination fees not to exceed \_\_\_\_\_% of the loan amount.

Other financing conditions: \_\_\_\_\_

In the event BUYER is not able to secure financing, SELLER reserves the right to provide all or part of the mortgage loan under the terms set forth above. The BUYER acknowledges and warrants that he has available the funds which may be required to complete the sale of the Property including, but not limited to, the deposit, the down payment, closing costs, pre-paid items, and other expenses excluding the amount of the loan.

**GOOD FAITH LOAN APPLICATION:** If the sale of the Property is stated in this Agreement as a financed sale conditioned upon the BUYER obtaining a loan, then the BUYER agrees to make good faith application for the loan within \_\_\_\_\_ calendar days after acceptance of this Agreement by all parties and written proof from the lender that the good faith application has been made shall thereafter be immediately supplied by BUYER to the SELLER with failure to timely do so being considered a breach of this Agreement giving the SELLER the sole right to cancel this Agreement in which event BUYER'S Deposit will be returned to BUYER in full. The SELLER can exercise this right to cancel the Agreement at any time from the aforementioned deadline date for BUYER to provide SELLER with written proof from the lender that the good faith loan application has been made until the time BUYER actually furnishes said written statement to SELLER, at which time the SELLER will lose this right to cancel the Agreement. SELLER also has the right to demand that BUYER fulfill BUYER'S obligation to make good faith loan application in which event SELLER will retain the right to subsequently cancel this Agreement as previously stated herein. BUYER is obligated to make good faith loan application with only one (1) lender and that lender is to be chosen by BUYER.

**LOAN APPROVAL:** If the sale of the Property is stated in this Agreement as a financed sale conditioned upon the BUYER obtaining a loan, then written commitment by the lender to make loan, without contingencies except subject to approval of title and other contingencies normally imposed by lender excluding ordering appraisal and credit report, shall be obtained by BUYER and shall constitute loan approval. Loan approval shall be obtained on \_\_\_\_\_

Seller's Initials \_\_\_\_\_

Buyer's Initials \_\_\_\_\_



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101 or prior to \_\_\_\_\_  
102 BUYER will provide SELLER with a copy of the written loan approval commitment from BUYER'S lender  
103 immediately upon BUYER obtaining same. Failure of the BUYER to timely obtain loan approval will cause this  
104 Agreement to be cancelled in which event BUYER'S Deposit will be returned to BUYER in full but only if the  
105 BUYER has made timely good faith application for the loan and made good faith efforts to obtain the loan. Any  
106 extension of the date for BUYER to obtain loan approval from lender shall be in writing and shall be signed by all  
107 parties.  
108

109 **AUTHORIZATION TO VERIFY GOOD FAITH LOAN APPLICATION AND LOAN APPROVAL:** If the sale of the  
110 Property is stated in this Agreement as a financed sale conditioned upon the BUYER obtaining a loan, BUYER  
111 authorizes and instructs lender to release to SELLER or SELLER'S Designated Agent, written verification of the  
112 good faith loan application and loan approval. If BUYER'S lender will not issue written verification of good faith  
113 loan application or loan approval, then verbal confirmation by lender to SELLER or SELLER'S Designated Agent  
114 will be acceptable. BUYER authorizes and instructs lender to provide the aforementioned verbal confirmations to  
115 SELLER or SELLER'S Designated Agent.  
116

117 **APPRAISAL:**

118 ☐ This sale is NOT conditioned on an appraisal of the Property.  
119 ☐ This sale IS conditioned on the appraisal of the Property being not less than the Sale Price. If the appraised  
120 value of the Property is equal to or greater than the Sale Price, the BUYER shall pay the Sale Price agreed upon  
121 prior to the appraisal. If the appraised value is less than the Sale Price, BUYER shall immediately provide written  
122 notification to SELLER of appraised value and BUYER shall have the option to pay the Sale Price agreed upon  
123 prior to the appraisal or to cancel this Agreement unless SELLER agrees in writing to reduce the Sale Price to the  
124 appraised value in which event BUYER agrees to accept the appraised value as the Sale Price and proceed with  
125 the purchase/sale of the Property under the other conditions and terms contained in this Agreement.  
126

127 **APPRAISAL DEADLINE:** If the sale of the Property is conditioned upon an appraisal and the appraisal is not  
128 completed on or prior to \_\_\_\_\_,  
129 then the SELLER will have the sole right to extend the deadline for the completion of the appraisal on a day-to-  
130 day basis or SELLER can cancel this Agreement in which event BUYER'S Deposit will be returned to BUYER in  
131 full. If SELLER extends the appraisal deadline date on a day-to-day basis, SELLER can still exercise SELLER'S  
132 right to cancel the Agreement at any time up until the time the appraisal is actually completed and SELLER is  
133 notified in writing of its completion, at which time the SELLER will lose this right to cancel the Agreement.  
134

135 **VERIFICATION OF APPRAISAL:**

136 If the sale of the Property is stated in this Agreement as an all cash sale conditioned upon an appraisal and the  
137 Property appraises for less than the Sale Price, then the BUYER agrees to furnish immediately to SELLER a  
138 complete copy of the appraisal.

139 If the sale of the Property is stated in this Agreement as a financed sale conditioned upon an appraisal and the  
140 Property appraises for less than the Sale Price, then the BUYER agrees to either furnish immediately to SELLER  
141 a complete copy of the appraisal or to immediately authorize BUYER'S lender to discuss verbally with SELLER or  
142 SELLER'S Designated Agent all details of the appraisal.

143 This verification of appraisal provision is to assist the SELLER in the decision to possibly sell the Property to  
144 BUYER for the lower appraised value and also to verify the actual existence of the low appraisal.

145 **DEPOSIT:** Upon acceptance of this Agreement by all parties, SELLER and BUYER shall be bound by all terms  
146 and conditions of this Agreement, and BUYER or BUYER'S agent will deliver not later than \_\_\_\_\_ hours  
147 after receipt by BUYER or BUYER'S Designated Agent of a duly and fully executed copy of this Agreement  
148 evidencing acceptance of it by all parties, a deposit (the "Deposit") in the amount of \$ \_\_\_\_\_  
149 to be paid in the form of:

150 ☐ Cash \$ \_\_\_\_\_

151 ☐ Check \$ \_\_\_\_\_

152 ☐ Promissory Note \$ \_\_\_\_\_

153 The Deposit shall be held by \_\_\_\_\_.

154  
155 Failure to timely deliver the Deposit shall be considered a breach of this Agreement and will give the Seller the

\_\_\_\_\_  
Seller's Initials

\_\_\_\_\_  
Buyer's Initials

sole right to cancel this Agreement. The SELLER can exercise this right to cancel the Agreement at any time from the aforementioned deadline date for BUYER to deliver the Deposit to SELLER until the time BUYER actually delivers the Deposit to SELLER, at which time the SELLER will lose this right to cancel the Agreement. SELLER also has the right to demand that BUYER fulfill BUYER'S obligation to give the Deposit in which event SELLER will retain the right to subsequently cancel this Agreement as previously stated herein. If the Deposit is held by a Broker, it must be held in accordance with the rules of the Louisiana Real Estate Commission in a federally insured banking or savings and loan institution without responsibility on the part of the Broker in the case of failure or suspension of such institution. In the event the parties fail to execute an Act of Sale by date specified herein and/or a dispute arises as to ownership of or entitlement to the Deposit or funds held in escrow, the Broker shall abide by the Rules and Regulations set forth by the Louisiana Real Estate Commission governing such matters.

**RETURN OF DEPOSIT:** If the Deposit is held by a Broker, then Broker shall abide by the Rules and Regulations set forth by the Louisiana Real Estate Commission governing the return of the Deposit. In addition to any other circumstances or conditions that may be stated elsewhere in this Agreement, the BUYER is entitled to the return of the Deposit and this Agreement will be declared null and void without demand in consequence of the following events:

- 1) If this Agreement is declared null and void by BUYER during the Due Diligence Period as set forth in this Agreement;
- 2) If the sale of the Property is stated in this Agreement as a financed sale subject to BUYER'S ability to obtain a loan and loan approval is not obtained by the date set forth in this Agreement but only if the BUYER has made timely good faith application for the loan and made good faith efforts to obtain the loan;
- 3) If the sale of the Property is stated in this Agreement as being conditioned on an appraisal and the appraisal is less than the Sale Price and the SELLER will not reduce the Sale Price to the appraised value and BUYER does not want to purchase the Property for the Sale Price agreed upon prior to the appraisal;
- 4) If the sale of the Property is stated in this Agreement as a financed sale conditioned upon BUYER'S ability to obtain a loan and BUYER is unable to obtain said loan but only if BUYER has made timely good faith loan application and good faith effort to obtain the loan;
- 5) If the BUYER does not accept the leases as set forth in this Agreement;
- 6) If the SELLER is unable to timely deliver to the BUYER an approved sewerage and/or water inspection report as set forth in this Agreement.

**DUE DILIGENCE PERIOD:** BUYER will have \_\_\_\_\_ calendar days after acceptance of this Agreement by all parties to, at BUYER'S expense, perform inspections, formulate plans, obtain reports or studies (to include, but not limited to environmental studies), surveys, tests, determine the availability and/or affordability of any required or desired property, flood or other type of insurance, determine the existence of any asbestos and/or any other hazardous material or substance as defined by federal, state or local law and which may require investigation or remediation by same, examination of title and title restrictions/covenants, verify all property dimensions and measurements to include lot size, square footage and room measurements, verify zoning and zoning restrictions, determining the feasibility of obtaining any necessary building permits, and perform any other function or activity BUYER feels necessary to conduct due diligence to determine if the Property is acceptable to BUYER or is suitable or acceptable for BUYER'S intended use or needs. This period of time is hereinafter referred to as the Due Diligence Period and the process of BUYER determining the acceptability or suitability of the Property is referred to as Due Diligence. BUYER may use experts or others of BUYER'S choosing to perform inspections, formulate plans and assist in Buyer's Due Diligence.

If at any time during the Due Diligence Period the BUYER determines, for any reason within BUYER'S sole discretion, that the Property is not acceptable or suitable to BUYER or if the BUYER is not satisfied with any inspection, plan, report, study, survey, tests or any other Due Diligence function or activity performed, the BUYER has the right to declare the Agreement to be null, void and cancelled in which event BUYER'S deposit will be returned to BUYER in full and the BUYER will no longer be obligated to buy the Property. To exercise this right to cancel the Agreement, the BUYER must notify the SELLER or SELLER'S Designated Agent in writing prior to the expiration of the Due Diligence Period. Failure of the BUYER to timely notify the SELLER or SELLER'S Designated Agent in writing of the BUYER'S desire to cancel the Agreement will be conclusively construed as the BUYER'S acceptance of the Property and the BUYER will subsequently lose the right to cancel the Agreement under the terms provided during the Due Diligence Period.

All Due Diligence activities conducted by BUYER during the Due Diligence Period will be nondestructive to the Property and will not unduly interfere with the SELLER'S or any tenant's current use of the Property. BUYER agrees not to rely on any information provided by SELLER or SELLER'S Designated Agent or Broker but instead to obtain all Due Diligence information from independent sources deemed reliable by BUYER.

SELLER agrees to provide all necessary utilities for BUYER'S inspections, testing and Due Diligence

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215 SELLER hereby agrees that at any reasonable time during the term of the Due Diligence Period, BUYER or  
216 BUYER'S agents may enter upon the Property provided reasonable notice of such entry is given to SELLER and  
217 make, at BUYER'S sole cost, risk and expense, any inspections, tests, surveys, studies or other activities related  
218 to BUYER'S Due Diligence.

219 BUYER shall defend, indemnify and hold SELLER, all Brokers and all Designated Agents harmless from and  
220 against any and all claims, demands, causes of actions, proceedings and lawsuits for any and all damages,  
221 losses, reimbursement, compensation, injuries, costs, expenses and other relief of any and every kind arising  
222 from or in connection with any inspection, test, survey, study, work, service and/or other act performed by, or on  
223 behalf of, or at the request of the BUYER in the performance of BUYER'S Due Diligence, on or relating to the  
224 Property, or caused by the BUYER, including but not limited to any damage, loss or injury to the Property, or to  
225 any natural or juridical person, or to any type of property, right or interest of any natural or juridical person.

226 SELLER IS NOT OBLIGATED TO MAKE REPAIRS TO THE PROPERTY, INCLUDING REPAIRS REQUIRED  
227 BY THE BUYER'S LENDER UNLESS OTHERWISE STATED HEREIN. THE SELLER IS RESPONSIBLE FOR  
228 MAINTAINING THE PROPERTY IN THE SAME OR BETTER CONDITION AS IT WAS WHEN THE  
229 AGREEMENT WAS ACCEPTED BY ALL PARTIES.

230

231 **REPORTS, STUDIES OR SURVEYS PROVIDED BY SELLER:** The SELLER does not warrant or guarantee any  
232 reports (to include property inspection reports), studies or surveys that were performed by third parties and  
233 provided by SELLER to BUYER and the BUYER specifically agrees not to rely on any of these documents but  
234 instead to obtain BUYER'S own reports, studies or surveys from competent experts/professionals deemed  
235 reliable by BUYER.

236 **DELIVERY OF DOCUMENTS OR INFORMATION BY SELLER:** In addition to any other documents or  
237 information that SELLER is required to furnish BUYER elsewhere in this Agreement, the SELLER will provide the  
238 following to BUYER within \_\_\_\_\_ calendar days after acceptance of this Agreement by all parties:

239

240 a) Copies of any and all reports and/or studies made by the Environmental Protection Agency (EPA) or  
241 other authority having jurisdiction over the Property.

242

243 b) Copy of the most recent survey on the Property.

244

245 c) Copy of any notice of any pending or threatened litigation or pending or threatened condemnation  
246 proceeding that could affect the Property.

247

248 d) A written statement describing any existing lien(s), encumbrances, mechanic's liens, unrecorded liens or  
249 adverse claims on the Property.

250

251 If SELLER is unable to provide any of the above stated documents, then SELLER will provide BUYER within the  
252 aforementioned time period with a written statement describing the reason SELLER can not provide the  
253 document(s). Failure of SELLER to timely furnish BUYER with the herein described documents or a written  
254 statement describing the reason SELLER can not provide certain documents, will give the BUYER the sole right  
255 to cancel this Agreement in which event BUYER'S Deposit will be returned to BUYER in full. BUYER can exercise  
256 this right to cancel the Agreement at any time from the aforementioned deadline date for SELLER to deliver the  
257 stated documents to BUYER until the time SELLER actually delivers the documents to BUYER at which time  
258 BUYER will lose this right to cancel the Agreement. BUYER also has the right to demand that SELLER fulfill  
259 SELLER'S obligation to furnish the stated documents in which event BUYER will retain the right to subsequently  
260 cancel this Agreement as previously stated herein.

261

262 **PRIVATE WATER/SEWERAGE:** In the event there is a private water system or private sewerage system on the  
263 Property, the SELLER shall provide, at SELLER'S expense, approval by the appropriate governmental entity of  
264 the private water or sewerage system. An approved sewerage and/or water inspection report will be issued within  
265 thirty (30) days prior to the Act of Sale by the appropriate governmental agency. The approved inspection and test  
266 on the water and/or sewerage system are to be furnished and paid for by the SELLER. Any private water system  
267 or private sewerage system repairs necessary to obtain approved inspection certificate will be paid by SELLER.

268

269 **WARRANTY OR AS IS CLAUSE WITH WAIVER OF RIGHT OF REDHIBITION: (CHECK ONE ONLY)**

270 ☐ A. SALE WITH WARRANTIES: SELLER and BUYER acknowledge that this sale shall be with full SELLER  
271 warranties as to any claims or causes of action including but not limited to redhibition pursuant to Louisiana Civil  
272 Code Article 2520, *et seq.* and Article 2541, *et seq.*

Seller's Initials

Buyer's Initials

☐ B. SALE "AS IS" WITHOUT WARRANTIES: SELLER and BUYER hereby acknowledge and recognize that the Property being sold and purchased is to be transferred in "as is" condition and further BUYER does hereby waive, relieve and release SELLER from any claims or causes of action for redhibition pursuant to Louisiana Civil Code Article 2520, *et seq.* and Article 2541, *et seq.* or for reduction of Sale Price pursuant to Louisiana Civil Code Article 2541, *et seq.* Additionally, BUYER acknowledges that this sale is made without warranty of fitness for ordinary or particular use pursuant to Louisiana Civil Code Article 2524. SELLER and BUYER agree that this clause shall be made a part of the Act of Sale.

☐ C. NEW HOME WARRANTIES. If the Property is a residential new construction, the parties agree that neither A or B will apply but instead the provisions of the New Home Warranty Act (LA R.S. 9:3141 *et seq.*) shall apply. The warranty of condition of this Property is governed by the New Home Warranty Act if a home on the Property is a "home" as defined in the New Home Warranty Act.

**PRORATIONS/OTHER COSTS:** Real estate taxes and rents for the current year are to be prorated through the date of the Act of Sale. Act of Sale costs, title insurance and other costs required to obtain financing shall be paid by BUYER, unless otherwise stated herein. All necessary tax, mortgage, conveyance and release certificates or cancellations and SELLER closing fees, if any, shall be paid by SELLER. SELLER shall pay all previous years' taxes and assessments. **Any special assessments bearing against the Property prior to Act of Sale, other than those to be assumed by written agreement as of the date of the Act of Sale are to be paid by SELLER.**

**MERCHANTABLE TITLE/CURATIVE WORK:** SELLER shall deliver to BUYER a merchantable title at SELLER'S costs. In the event curative work in connection with the title to the Property is required or is a requirement for obtaining the loan upon which this Agreement is conditioned, the parties agree to and do extend the date for passing the Act of Sale to a date not more than \_\_\_\_\_ (\_\_\_\_) calendar days from the date of the Act of Sale stated herein. SELLER'S title shall be merchantable and free of all liens and encumbrances except those that can be satisfied at Act of Sale. All costs and fees required to make title merchantable shall be paid by SELLER. SELLER shall make good faith efforts to deliver merchantable title. SELLER'S inability to deliver merchantable title within the time stipulated herein shall render this Agreement null and void, reserving unto BUYER the right to demand the return of the Deposit and to recover from SELLER actual costs incurred in processing of sale as well as legal fees incurred by BUYER.

**In the event Act of Sale is extended under the terms stated herein, then SELLER will pay all costs related to extending BUYER'S loan commitment to the extended Act of Sale date since the extension of Act of Sale was through no fault of BUYER but rather SELLER'S inability to timely deliver a merchantable title.**

**LEASES:**

☐ SELLER warrants and affirms that there are no existing leases either written or verbal on the Property and agrees not to place any leases on the Property without the prior written approval of BUYER.

☐ SELLER warrants and affirms that there are existing leases on the Property. SELLER agrees to furnish BUYER within \_\_\_\_\_ calendar days after acceptance of this Agreement by all parties with complete copies of any and all written leases that exist on the Property (*to include written leases whose primary term have expired and which are now currently on a month-to-month term/basis*) and to also furnish all of the terms of any lease that from its inception has been a verbal lease. **Within this same time period, SELLER also agrees to furnish BUYER with a written listing, signed by the SELLER, of all existing leases on the Property. This listing of all leases will specify if a lease is a written or verbal lease, the primary term of the lease, monthly rent, security deposit being held by SELLER and option(s) to renew the lease, if any.**

Failure of SELLER to timely furnish BUYER with the aforementioned documents will be considered a breach of this Agreement giving the BUYER the sole right to cancel this Agreement in which event BUYER'S Deposit will be returned to BUYER in full. The BUYER can exercise this right to cancel the Agreement at any time from the aforementioned deadline date for SELLER to deliver the stated lease documents to BUYER until the time SELLER actually delivers said lease documents to BUYER, at which time the BUYER will lose this right to cancel this Agreement. BUYER also has the right to demand that SELLER fulfill SELLER'S obligation to furnish the lease documents stated herein in which event BUYER will retain the right to subsequently cancel this Agreement as previously stated herein.

Upon receipt of all of the aforementioned documents, BUYER will immediately notify SELLER in writing acknowledging receipt of same.

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Buyer's Initials

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332 The BUYER will have \_\_\_\_\_ calendar days after receiving a copy of all leases and the written listing of all leases  
333 signed by the SELLER, to review the existing leases and notify the SELLER in writing as to whether or not said  
334 leases are satisfactory to the BUYER.

335 In the event the leases are satisfactory to the BUYER, then any provision contained in this Agreement relating to  
336 the BUYER'S review, approval or acceptance of existing leases will be removed as a condition to the sale of the  
337 Property and the sale of the property will be subject to all existing leases and BUYER agrees to honor, accept and  
338 be bound by all said leases.

339 If the leases are unsatisfactory to the BUYER, then BUYER must so notify SELLER before the expiration of the  
340 BUYER'S lease review period stated above in which event this Agreement will become null and void resulting in  
341 the BUYER'S deposit being returned to the Buyer in full. The leases will be considered to be satisfactory to the  
342 Buyer if the Buyer fails to timely notify the Seller as stated herein.

343 The SELLER agrees not to change the terms of any existing lease or enter into any new lease of the Property  
344 without the prior written consent of the BUYER. SELLER has the right to renew any existing lease but only if said  
345 lease already contains an option to renew clause and then only under the terms stated in said option to renew  
346 clause.

347 **FINAL WALK THROUGH:** BUYER shall have the right to re-inspect the Property within five (5) calendar days  
348 prior to the Act of Sale, or occupancy, whichever will occur first in order to determine if the Property is in the same  
349 or better condition as it was at the initial inspection(s) and to insure all agreed upon repairs have been completed.  
350 SELLER agrees to provide utilities for this final walk through inspection and immediate access to the Property.  
351

352 **DEFAULT OF AGREEMENT BY SELLER:** In the event of any default of this Agreement by SELLER, BUYER  
353 shall at BUYER'S option have the right to declare this Agreement null and void with no further demand, or to  
354 demand and/or sue for any of the following:  
355 1) Termination of this Agreement;  
356 2) Specific performance;  
357 3) Termination of this Agreement and an amount equal to 10% of the Sale Price as stipulated damages.  
358 Further, BUYER shall be entitled to the return of the Deposit. The prevailing party to any litigation brought to  
359 enforce any provision of this Agreement shall be awarded their attorney fees and costs. The SELLER may also be  
360 liable for Broker fees.  
361

362 **DEFAULT OF AGREEMENT BY BUYER:** In the event of any default of this Agreement by BUYER, SELLER  
363 shall have at SELLER'S option the right to declare this Agreement null and void with no further demand, or to  
364 demand and sue for any of the following:  
365 1) Termination of this Agreement;  
366 2) Specific performance;  
367 3) Termination of this Agreement and an amount equal to 10% of the Sale Price as stipulated damages.  
368 Further, SELLER shall be entitled to retain the Deposit. The prevailing party to any litigation brought to enforce  
369 any provision of this Agreement shall be awarded their attorney fees and costs. The BUYER may also be liable  
370 for Broker fees.  
371

372 **MOLD RELATED HAZARDS NOTICE:** An informational pamphlet regarding common mold related hazards that  
373 can affect real property is available at the EPA website <http://www.epa.gov/iaq/molds/index.html>. By initialing  
374 this page of the Agreement, BUYER acknowledges that the real estate agent has provided BUYER with the EPA  
375 website enabling BUYER to obtain information regarding common mold related hazards.  
376

377 **SURVIVAL:** It is mutually agreed by the parties hereto that any provision contained in this Agreement which shall  
378 by its nature or terms impose any obligations or duty upon any party hereto, or give any right or benefit to any  
379 party hereto, continuing beyond the date of conveyance of the Property, will not be canceled, but will instead  
380 survive such conveyance and will continue in full force and effect until all such obligations and duties are fully  
381 performed and all such rights and benefits are fully realized.

382 **CHOICE OF LAW:** This Agreement shall be governed by and shall be interpreted in accordance with the laws of  
383 the State of Louisiana.  
384

385 **DEADLINES:** TIME IS OF THE ESSENCE and all deadlines are final, except where modifications, changes, or  
386 extensions are made in writing and signed by all parties to this Agreement. All "calendar days" as used in this  
387 Agreement shall end at 12:00 midnight in Louisiana.  
388

Seller's Initials

Buyer's Initials



Property Address

Agreement to Buy or Sell Dated

**REFERENCE TO THIS AGREEMENT TO BUY OR SELL COMMERCIAL PROPERTY:** This agreement to buy or sell commercial property is referred to herein as the/this Agreement.

**ACCEPTANCE, NOTICE OF ACCEPTANCE OF THIS AGREEMENT, OTHER NOTICES AND COUNTERPARTS:** Acceptance of this Agreement and any addenda or amendments thereto must be in writing. Notice of this acceptance of the Agreement must be communicated by timely furnishing to the appropriate party or party's agent either by hand delivery, facsimile transmission or as an attachment to an e-mail transmission, a fully executed copy of this Agreement and any addenda or amendments thereto. The original of this document shall be delivered to the listing Broker's firm. Other notices required in this Agreement must be timely communicated to the appropriate party or party's agent in writing by hand delivery or facsimile transmission or by e-mail transmission and will include a complete and correctly executed copy (including any required signatures) of any specific document that may be required to be delivered. This Agreement and any supplement addendum, modification or amendment relating hereto, including any photocopy, facsimile or electronic transmission thereof, may be executed in two or more counterparts, all of which shall constitute one and the same Agreement.

**CONTRACT:** This is a legally binding contract when signed by both SELLER and BUYER. READ IT CAREFULLY. If you do not understand the effect of any part of this Agreement seek legal advice before signing this contract or attempting to enforce any obligation or remedy provided herein.

**ENTIRE AGREEMENT:** This Agreement constitutes the entire Agreement between the parties, and any other agreements not incorporated herein in writing are void and of no force and effect.

**EXPIRATION OF OFFER:**

This offer is binding and irrevocable until \_\_\_\_\_ at \_\_\_\_\_ AM/PM.

X

☐ Buyer's/ ☐ Seller's Signature \_\_\_\_\_ Date/Time \_\_\_\_\_

Print Buyer's/Seller's Full Name (First, Middle, Last) \_\_\_\_\_

Street Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Last 4-digits of SSN \_\_\_\_\_ Telephone Number.Cell \_\_\_\_\_

Telephone Number.Home \_\_\_\_\_ Telephone Number.Work \_\_\_\_\_

E-Mail Address \_\_\_\_\_

This offer was presented to the Seller/Buyer by \_\_\_\_\_

Day/ Date/ Time AM/PM MIDNIGHT/NOON

This offer is: ☐ Accepted ☐ Rejected (without counter) ☐ Countered (See Attached Counter) by:

X

☐ Buyer's/ ☐ Seller's Signature \_\_\_\_\_ Date/Time \_\_\_\_\_

Print Buyer's/Seller's Full Name (First, Middle, Last) \_\_\_\_\_

Street Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Last 4-digits of SSN \_\_\_\_\_ Telephone Number.Cell \_\_\_\_\_

Telephone Number.Home \_\_\_\_\_ Telephone Number.Work \_\_\_\_\_

E-Mail Address \_\_\_\_\_

This offer was presented to the Seller/Buyer by \_\_\_\_\_

Day/ Date/ Time AM/PM MIDNIGHT/NOON

**NET LEASE OF COMMERCIAL PROPERTY**  
**(For use with single-tenant property)**

\_\_\_\_\_ (“Lessor”) hereby leases to \_\_\_\_\_ (“Lessee”), and Lessee hereby leases from Lessor, the following property (include street address and other description, if applicable) (the “Premises”):  
\_\_\_\_\_  
\_\_\_\_\_

This “Lease” will include this basic lease form and all addenda, exhibits, riders, and supplements to it, as well as all future amendments and modifications to this lease, and will be effective and binding on the parties on the date on which it has been executed by both parties (the “Effective Date”).

**1. Term.** This Lease commences on \_\_\_\_\_ and ends at midnight on \_\_\_\_\_ (the “Fixed Expiration Date”), unless this Lease terminates before that date. A reference to the “termination” of this Lease will mean either its expiration on the Fixed Expiration Date or its earlier termination, and will include its termination later than the Fixed Expiration Date if Lessee has held over with Lessor’s consent and this Lease has become a month-to-month lease. The “term” will mean the initial term set out above, as extended if Lessor permits Lessee to hold over and this Lease becomes a month-to-month Lease.

**2. Rent.** The fixed rent due by Lessee under this Lease shall be \_\_\_\_\_ monthly (the “Monthly Rent”), payable in advance, on or before the first day of each month during the term. When the Lessee executes this Lease, Lessee shall pay Lessor the Monthly Rent for the first full calendar month of the term, plus the Monthly Rent for any fractional month preceding the first full month (to the extent that this amount can be determined in advance). The term “rent” means the Monthly Rent and all other amounts due by Lessee to Lessor from time to time under this Lease. All rent shall be made payable to Lessor and delivered to \_\_\_\_\_ [state rent payment address] other person or such other address as Lessor may from time to time designate for the payment of rent by notice to Lessee and [agency name].

**3. Use of Premises.** The Premises shall be used only for the following use (this use is the “Permitted Use”): \_\_\_\_\_ . It shall not be used for any other use whatsoever.

**4. Security Deposit.** Lessee has given Lessor a security deposit of \$ \_\_\_\_\_ (the “Security Deposit”). Lessee hereby grants Lessor a security interest in the Security Deposit to secure the full payment of rent and performance of all obligations by Lessee under this Lease. No interest will accrue on the Security Deposit, and Lessor will not be required to keep the Security Deposit in a separate account. If Lessee fails to perform any of its obligations under this Lease, Lessor may use, apply or retain all or any portion of the Security Deposit to perform the obligation or to compensate Lessor for any loss caused by the default. If Lessor uses, applies, or retains any of the Security Deposit as permitted in this Section, then Lessee will immediately deliver to Lessor the amount necessary to restore the Security Deposit to its original amount. On the termination of this Lease, and provided that Lessee has complied with all of its obligations, Lessor will return the remainder of the Security Deposit to Lessee.

**5. LESSEE ACCEPTS THE PREMISES “AS IS – WHERE IS”; LESSEE SHALL PERFORM ALL MAINTENANCE, REPAIRS, AND REPLACEMENTS.** Lessee hereby (i) accepts the Premises and all of its parts (including, without limitation, all fixtures, glass, walls, heating, ventilation, and air conditioning equipment, and all other mechanical systems) in its condition on the Effective Date and agrees that this condition is suitable for the Permitted Use (or Lessee agrees to place them in that condition at Lessee’s expense), (ii) agrees to perform all maintenance, repairs, and replacements that



become necessary during the term to keep the Premises and all of its parts in a condition suitable for the Permitted Use, (iii) waives any obligation on Lessor's part to keep the Premises safe and in a condition suitable for the Permitted Use, and (iv) waives all express or implied representations or warranties on the part of Lessor, including, but not limited to, all warranties that the Premises are suitable for the Permitted Use or are free from vices, defects, or deficiencies, whether hidden or apparent, and all warranties under La. Civ. Code arts. 2682(2), 2684, 2691, or 2696-2699, or any other provision of law, but only to the extent not expressly prohibited by Louisiana law. \_\_\_\_\_

INITIALS OF LESSEE

6. **Early Occupancy.** If Lessee takes possession of the Premises before the commencement date for construction, for installation of furniture, fixtures, or improvements, or for other purposes, Lessee will be bound by all of the provisions of this Lease with respect to this occupancy, including, but not limited to, the obligation to pay Monthly Rent and other rent during this occupancy. However, this early possession of the Premises will not change the Fixed Expiration Date of this Lease.

7. **Delayed Possession.** If Lessor is delayed in delivering possession of the Premises to Lessee because the existing occupants have not vacated or because any work that Lessor is required to perform has not been completed, or for any other reason (and provided that Lessor is proceeding in good faith), this Lease will not be affected, and Lessee shall not be entitled to any damages for such delay, but the commencement date will not occur and no rent will be due until Lessor actually delivers possession of the Premises to Lessee. The Fixed Expiration Date will not be changed by a delay in the delivery date.

8. **Peaceful Possession.** Lessor covenants that so long as Lessee is not in default under this Lease beyond the applicable notice and cure period, Lessee shall have, hold and enjoy the peaceful possession of the Premises during the term of this Lease.

9. **Utility Charges.** Lessor is supplying no natural gas, heat, light, power, sewerage service, telephone, water, refuse disposal or other utilities or similar services to Lessee or the Premises. Lessee shall obtain all of these utilities and similar services directly from the utility company or other service companies that supply these utilities and services to the general public and shall pay all connection fees, deposits, and charges to this supplier. Lessee waives all claims against Lessor for any lack of or interruption in these utilities and services.

10. **Real Estate Taxes.** Lessee shall pay all state, parish, city, and district ad valorem taxes, taxes in the nature of ad valorem taxes, water and sanitation charges, and all other assessments, forced contributions and other governmental charges, general and special, ordinary and extraordinary, foreseen or unforeseen, of every kind and nature whatsoever, which may be levied, assessed, or imposed upon the Premises, or the improvements forming part of the Premises, or the rents derived from the Premises (collectively, the "Real Estate Taxes"), in each case before they become delinquent. The Real Estate Taxes will not include income taxes, franchise taxes, inheritance taxes, or estate or gift taxes. The Real Estate Taxes for the first and last years of the term shall be prorated between Lessor and Lessee as of commencement date and termination date of this Lease. Without creating a grace period for payment, Lessee shall pay all interest and penalties that accrue by reason of Lessee's late payment. No less than 15 days before the Real Estate Taxes are due without interest or penalties and without delinquency, Lessee shall deliver to Lessor officially issued receipts showing that the Real Estate Taxes have been paid in full. If the bills or assessments for the Real Estate Taxes are not sent directly to Lessee, then Lessor will provide Lessee with the bills and assessments when received.

Notwithstanding anything to the contrary set out above, at Lessor's option, Lessor may elect to be the party that delivers the Real Estate Taxes to the taxing authority. In that event, Lessee will pay Lessor the Real Estate

Taxes within 15 days after Lessor gives Lessee notice that it will deliver the Real Estate Taxes to the taxing authorities, which notice will be accompanied by a copy of the bill or invoice for the Real Estate Taxes.

If the Premises are not separately assessed, but are assessed with other property, then (i) the portion of the jointly assessed Real Estate Taxes attributable to the Premises will be equitably apportioned by Lessor based on the respective valuations of the land and improvements included in the respective portions of the tax parcel, (ii) Lessor's reasonable and good faith determination of these valuations and this apportionment will be conclusive and binding on Lessee, and (iii) Lessor will deliver the Real Estate Taxes apportioned to the Premises to the taxing authority and Lessee will pay these Real Estate Taxes to Lessor in accordance with the immediately preceding paragraph, except that Lessor's notice to Lessee will also include a statement of the method by which Lessor determined the Premises' proportionate share of the Real Estate Taxes.

If the Premises are separately assessed and are not jointly assessed with other property, then Lessee may attempt to have the assessed valuation of the Premises reduced or may initiate proceedings to contest the Real Estate Taxes. If required by law, Lessor shall, at Lessee's expense, join in the proceedings brought by Lessee. Upon the final determination of any proceeding or contest, Lessee shall immediately pay the Real Estate Taxes due, together with all costs, charges, interest and penalties of the proceedings.

**11. Maintenance, Repairs, and Replacements.** Throughout the term, Lessee, at Lessee's expense, shall perform all maintenance, repairs, and replacements necessary to keep the Premises safe, in compliance with all statutes, ordinances, codes, laws, rules, and regulations of all federal, state, and local governmental authorities with jurisdiction over the Premises ("Laws") and in good condition and repair (excluding repairs and replacements necessitated by Casualty and by Lessor's gross negligence or intentional misconduct). Without limiting the generality of this obligation, Lessee, at Lessee's expense, shall keep the roof watertight, shall keep the structural supports and other structural elements and portions of the Premises in good condition and repair, and shall keep all electrical, plumbing, fire safety (if any), sprinkler (if any), gas (if any), heating, ventilating, air conditioning, and other mechanical systems of the Premises in working order and good condition and repair at all times. Lessee shall also keep in effect at all times at Lessee's expense a commercially standard pest control contract with a certified pest control firm for the performance of regular (not less frequent than monthly) extermination for pests including, but not limited to roaches and rodents. **Without limiting the generality of this Section 11 or any other provision of this Lease, Lessee hereby confirms that this is a net lease, and Lessee waives all right to require Lessor to perform any maintenance or make any repairs or replacements during the term of this Lease.**

**12. Lessee's Improvements.** Lessee shall not make any alterations, additions, or improvements to the Premises without first obtaining Lessor's written consent, which consent shall not be unreasonably withheld (the term "Improvements" refers to any alterations, additions, or improvements made to the Premises during the term, including, without limitation, fixtures and equipment that are attached to the Premises in such a fashion as to become component parts of the Premises, such as lighting, electrical, or plumbing fixtures). However, Lessor will have the right to withhold its consent in its sole discretion if the requested Improvements would, in Lessor's reasonable judgment, (i) affect the exterior walls, foundation, roof, or other structural portions, or the heating, ventilating, air conditioning, plumbing, electrical, or other mechanical systems of the Premises, or (ii) reduce the value, marketability, or usefulness of the Premises. Although the Improvements will be Lessee's property during the term, they will be considered part of the Premises for purposes of Lessee's indemnification, waiver, maintenance, repair, use and other such obligations in this Lease.

All Improvements shall be made at Lessee's expense, shall be made by duly licensed contractors and subcontractors that have been approved by Lessor in advance (Lessor will not unreasonably withhold its approval), shall be constructed in a good and workmanlike manner and in accordance with all Laws, and shall be consistent with the architectural, electrical and mechanical design, installation and construction of the Premises.

Lessee shall not begin any Improvements that cost more than \$5,000 or that affect the structural portions or mechanical systems of the Premises ("Major Improvements") until all plans and specifications (or drawings if Lessor does not require plans and specifications) for the Improvements have been reviewed and approved by Lessor. Before beginning any Improvements, Lessee shall obtain and provide Lessor with a copy of all permits, approvals and certificates required by governmental bodies or agencies, and upon completion, Lessee shall obtain and provide Lessor with a copy of all required certificates of occupancy or final approval. If required by Lessor and if the Improvements will cost more than \$50,000, Lessee shall provide Lessor with a performance and statutory bond complying with La. R.S. §9:4801 et. seq. and naming Lessor as a co-obligee. While constructing Major Improvements in or about the Premises, Lessee shall carry, or cause Lessee's contractor and subcontractors to carry, workmen's compensation insurance covering all persons employed, directly or indirectly, in connection with any work performed, and covering all persons employed, directly or indirectly, in connection with any work performed, as well as builder's risk insurance and other construction-related insurance reasonably required by Lessor, and Lessee and its contractors and subcontractors shall satisfy Section 15 with respect to all such insurance. Lessee shall cancel any lien filed against the Premises, or Lessee's interest in the Premises, for work claimed to have been performed for, or for materials claimed to have been furnished to, Lessee, within 10 days after receiving notice of the lien.

**13. Ownership and Removal of the Improvements and Lessee's Property.** All unattached and movable partitions, trade fixtures, equipment, furniture, and other personal property located in the Premises ("Lessee's Property") as well as all Improvements shall be owned and insured by and taxed to Lessee during the term. At the termination of this Lease, all Improvements shall automatically become Lessor's property without any obligation on the part of Lessor to reimburse Lessee or any other person for them. However, if prior to such termination or within 10 days after the termination date, Lessor notifies Lessee that it does not elect to become the owner of any or all of the Improvements and that it elects that Lessee remove any or all of the Improvements (the Improvements so designated are the "Designated Improvements"), then the Designated Improvements will not become Lessor's property, and Lessee shall immediately remove the Designated Improvements, and restore all damage caused by their construction, attachment, and removal. Lessee shall also remove all of Lessee's Property from the Premises and shall repair and restore all damage caused by its maintenance, attachment, operation, or removal, on or before the termination date of this Lease.

If Lessee fails to remove any of Lessee's Property or any of the Designated Improvements within the time period specified above, then this Lessee's Property or these Designated Improvements will be conclusively deemed to have been abandoned, and at Lessor's option, either (i) Lessor may remove and dispose of any or all of the Lessee's Property or the Designated Improvements, and Lessee will pay the costs of this removal and disposition, plus 15% of these costs as administration fees, within 5 days after demand from Lessor, or (ii) any or all of the Lessee's Property or the Designated Improvements shall be deemed to have become Lessor's property, without any obligation on the part of Lessor to compensate Lessee or any other person for them.

**14. Lessee's Indemnification and Waivers.** Except to the extent caused by Lessor's intentional or gross fault and except for personal injury to the extent caused by Lessor's negligent acts, Lessee will reimburse Lessor and its property manager, and their respective owners, officers, directors, agents, employees, and representatives for and will indemnify, defend, and hold harmless Lessor and its property manager, and their respective owners, officers, directors, agents, employees, and representatives from and against any and all loss or damage sustained by, liability or charges imposed on, and claims or causes of action asserted against, Lessor or its property manager, or any of their respective owners, officers, directors, agents, employees, or representatives to the extent arising out of (i) any accident or occurrence in or on the Premises, any use of or business conducted in or on the Premises, or any hidden or apparent defect in the Premises; or (ii) any damage to or loss of any property of Lessee or any person occupying the Premises or any of their respective agents, employees, or contractors; or (iii) any act, negligence, or fault of Lessee or any person occupying the Premises or any of their respective agents, employees, or contractors. Lessee's reimbursement and indemnity obligations will include, but not be limited to, any and all

penalties, assessments, fines, damages, interest, settlement amounts, judgments, losses, reasonable attorneys' fees, and other expenses, and will survive the expiration or other termination of this Lease.

Because of Lessee's insurance obligations under this Lease, Lessee assumes full responsibility for the condition of the Premises throughout the term, and hereby waives all rights and claims against Lessor and its property manager, and their respective owners, officers, directors, agents, employees, or representatives for any and all property loss or damage and personal injury or death occurring in or about the Premises, except that each such person will be responsible for actual damage caused by each such person's gross negligence or intentional fault and for personal injuries caused by each such person's negligent acts. As part of its waiver, Lessee waives all rights and claims against Lessor and its property manager, and their respective owners, officers, affiliates, shareholders, directors, agents, employees, or representatives arising from (i) theft, vandalism, criminal acts, or lack of security (Lessee hereby acknowledges that it is solely responsible for its own security, and that neither Lessor nor its property manager is providing any security equipment, devices, or services); (ii) any acts or omissions of other tenants of property owned or managed by Lessor or Lessor's property manager; (iii) any freezing, bursting, or leaking of, or water otherwise coming out of pipes or sprinklers, leaks in the roof, or the lack of a sprinkler system or fire prevention system, or the failure of a sprinkler system or fire prevention system to work properly (Lessee hereby acknowledges that it has sole responsibility for providing itself with a functioning sprinkler system and fire prevention system); (iv) any lack of or failure of the plumbing, heating, air conditioning, or any other mechanical system (including, but not limited to those described in (iii) above) (Lessee hereby acknowledges that it has sole responsibility for placing and maintaining the mechanical systems in working condition); or (v) failing to cause the Premises to comply with Laws or otherwise to be in a condition suitable for Lessee's use (Lessee hereby acknowledges that it has sole responsibility for causing the Premises to comply with Laws and for placing and maintaining it in a condition suitable for Lessee's use). This provision and Lessee's reimbursement and indemnification obligations set out above will apply notwithstanding the fact that Lessor is the owner and lessor of the Premises; however, this clause will not prevent Lessor or its property manager or agent, respectively, from being liable for its own intentional or gross fault to the extent that it causes damage to Lessee or for personal injury to the extent caused by its own negligent acts, or exclude any other liability if the exclusion of that liability is prohibited by Louisiana law. This Section shall survive the termination of this Lease with respect to matters that occurred during the term.

**15. Insurance.** At all times during the term, Lessee shall provide and maintain, at Lessee's expense, the following insurance:

- (a) A policy of commercial general liability (bodily injury and property damage) insurance, insuring against liability arising on the Premises and out of the ownership, use, occupancy or maintenance of the Premises, or the business conducted on the Premises, including liability arising from the negligence or other fault of all insured and additional insured parties (the "Liability Policy"). Lessor, Lessor's property manager, and all persons that are the Mortgagees under mortgages on the Premises or ground lessors of ground leases on the Premises (provided that Lessor has given Lessee notice of the identity of these mortgagees or ground lessors and their notice addresses (these mortgagees and ground lessors are "Mortgagees," collectively, and is each a "Mortgagee")) shall each be an additional insured under the Liability Policy. The Liability Policy shall be in an amount not less than \$2,000,000 per occurrence and \$2,000,000 in the aggregate and shall be primary as to all additional insureds. The limits of the Liability Policy will not, however, limit the liability of Lessee hereunder. If in the reasonable opinion of Lessor, the limits of the Liability Policy are not adequate, then Lessee shall increase these limits as required by Lessor, except that Lessor will not require that Lessee increase these limits more often than every 3 years, or by more than 50% of the amount of the insurance required prior to this increase. The Liability Policy will include coverage for Lessee's contractual liability under Section 14 above. If the Premises contains an elevator or escalator and the Liability Policy does not cover liability arising from the use or malfunction of this elevator or escalator, then Lessee shall obtain a separate policy or policies that covers

these risks with liability limits equal to those of the Liability Policy and naming each of Lessor, Lessor's property manager, and each Mortgagee as an additional insured.

- (b) A policy of "Special Form" insurance covering loss of or damage to the Premises in an amount not less than the full replacement cost of the Premises at the time the policy is obtained, coverage for the loss of no less than 12 months of the aggregate Monthly Rent and other amounts, including the Real Estate Taxes and the insurance premiums, then payable by Lessee under this Lease (the "Building Property Insurance"). The Building Property Insurance shall name Lessor as loss payee and shall include all mortgagee loss payable provisions and ground lessor loss payable provisions that are required by Lessor from time to time. If Building Property Insurance does not cover (x) loss of or damage to plate glass on the Premises (and if the Premises includes plate glass), or (y) loss or damage caused by (i) sprinkler leakage or (ii) boiler or other such machinery malfunction if the Premises include boilers or other such machinery, then Lessee shall obtain a separate policy or policies that covers these risks, which policy will include loss payee and other provisions that are the same as those of the Building Property Insurance.
- (c) A policy of flood insurance covering loss of or damage to the Premises in an amount equal to the lesser of the full replacement cost of the Premises at that time or the greatest amount that is available by law (the "Flood Insurance"). The Flood Insurance shall name Lessor as loss payee and shall include all mortgagee loss payable provisions and ground lessor loss payable provisions that are required by Lessor from time to time.
- (d) A policy of "Special Form" insurance covering loss of or damage to all of Lessee's Improvements and all furniture, fixtures, equipment and other property then located in the Premises, in an amount not less than the full replacement cost of this property (the "Lessee's Property Insurance"). If Lessee's Property Insurance does not cover property loss or damage caused by sprinkler leakage, then Lessee shall obtain a separate policy that covers this risk. With respect to the Improvements only, this insurance shall name Lessee and Lessor as loss payees, as their interests may appear, and shall include such mortgagee loss payable and ground lessor loss payable provisions as Lessor may require from time to time. Lessee's Property Insurance shall either permit Lessee to waive all of the insurer's rights of subrogation, or shall contain a waiver of subrogation by the insurer of all rights of legal and conventional subrogation against Lessor, Lessor's property manager, and all Mortgagees.
- (e) Workers' compensation insurance in accordance with the statutory requirements of the State of Louisiana, and employers' liability insurance with a limit of \$1,000,000.00 with respect to all persons that work on the Premises. In each of these policies, the insurer shall waive all of its rights of legal or conventional subrogation against Lessor, Lessor's property manager, and all Mortgagees.

Each insurance policy that Lessee is required to maintain shall be issued by a company duly qualified to do business in Louisiana and rated A-/VII or better in "Best's Insurance Guide." Before taking possession of the Premises, Lessee shall deliver to Lessor certificates of insurance (and at Lessor's request, original policies) evidencing the existence and amounts of these policies with evidence that these policies contain the required loss payable, additional insured, waiver of subrogation and other required clauses reasonably satisfactory to Lessor, as well as satisfactory evidence that Lessee has paid the premium for each required policy for the full period shown in the certificate. No less than 15 days before any of the insurance policies required in this Section is cancelled or expires, Lessee shall deliver to Lessor certificates of insurance (and at Lessor's request, original policies) evidencing the replacement or renewal policies and that they satisfy these Section 15, as well as satisfactory evidence that Lessee has paid the premium for the full period shown in the certificate. Each certificate of insurance will contain or be accompanied by a certificate of the insurer that the policies shown in the certificate may not be canceled or modified without 30 days' prior notice to Lessor, Lessor's property manager, and each Mortgagee.

Notwithstanding anything to the contrary set out above, at Lessor's option, Lessor may elect to be the party that maintains the Building Property Insurance and the Flood Insurance. In that event, Lessee will pay Lessor the premiums for the Building Property Insurance and the Flood Insurance from time to time, in each case within 15 days after receiving an invoice for the premiums from Lessor, accompanied by a copy of the bill or invoice for these premiums.

**16. Mutual Waiver of Subrogation.** Lessee and Lessor each hereby releases and relieves the other and the Lessor's property manager, and each such party hereby waives its entire right of recovery against the other and the Lessor's property manager for any and all loss or damage to any property, including, in the case of Lessor, the Premises, and in the case of Lessee, the Improvements and any and all furniture, fixtures, equipment, and other property located in or about the Premises, arising out of or incident to perils insured against or that could have been insured against by a "special form" policy of property insurance or by any other policy of insurance required under this Lease, even if this loss or damage is due to the negligence of Lessor, Lessee, or Lessor's property manager, or their respective agents, employees, contractors or invitees. This waiver will include a waiver by each party of all rights of legal or conventional subrogation that their insurers may have against the other party. Lessee and Lessor shall, upon obtaining the policies of insurance covering property loss or damage required hereunder, give notice to their insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease, or if the insurance policy does not permit a party to waive the insurer's rights of subrogation, then the policy shall contain an endorsement in which the insurer waives all of its rights of legal and conventional subrogation against the party that is not the insured party as well as against the Lessor's property manager.

**17. Damage by Fire or Other Casualty.** If the Premises are destroyed, or damaged to such an extent that the Premises cannot be used for the Permitted Use by fire or other casualty (a "Casualty"), and if the damage or destruction cannot be restored within 120 days, then Lessor shall have the right to terminate this Lease by notice to Lessee given within 30 days after the Casualty. If Lessee maintained the Building Property Insurance that it was required to maintain, Lessee did not cause the Casualty, the Casualty occurred during the last 2 years of the term (or if the term was initially 5 years or less, the last 18 months of the term), and the damage or destruction cannot be restored to an extent permitting the use of the Premises within 120 days, then Lessee will have the right to terminate this Lease by notice to Lessor given within 30 days after the Casualty. If the Premises are damaged by Casualty, but they can be restored within 120 days, or if restoration will take longer than 120 days, but this Lease does not terminate under this Section, then Lessor will repair the damage or destruction to the Premises within a reasonable time after the Casualty. Notwithstanding anything to the contrary in this Section, Lessor is not obligated to repair or restore Lessee's Improvements or its furniture, fixtures, equipment, or other property, and the Premises shall not be considered unusable by reason of the fact that Lessee's Improvements have not been restored or Lessee's furniture, fixtures, equipment, or other property has not been repaired or replaced (the term "Premises" as used in this Section, does not include Lessee's Improvements). Provided that the Casualty was not caused by Lessee and Lessee has maintained the Building Property Insurance that it was required to maintain, the Monthly Rent and Lessee's liability for the Real Estate Taxes and insurance premiums shall be abated in proportion to the portion of the Premises that was made unusable by the Casualty for so long as the Premises are unusable. Notwithstanding anything to the contrary set out above, Lessor shall not be obligated to spend any amounts on restoration or repairs that exceed the amount actually recovered by Lessor for that purpose from the Building Property Insurance or Flood Insurance, and Lessee's rent will abate only to the extent that Lessor receives insurance proceeds that compensate Lessor for this lost rent.

**18. Taking by Eminent Domain.** If the whole or a substantial part of the Premises is taken for public use or by any governmental body, or if it is transferred to a governmental body in anticipation of a formal taking (any such taking or transfer is a "Taking"), then this Lease will terminate effective as of the date of the taking or transfer. A "substantial part" of the Premises has been taken if (i) after the Taking, the Premises' remaining parking no longer satisfies zoning and land use parking requirements for the Permitted Use, or (ii) any structural or material

enclosed interior portions of the Premises are subject to the Taking. However, if the Taking is of a substantial part of the Premises, then this Lease will not terminate if the Taking occurs more than 2 years before the Fixed Expiration Date, the Taking is for less than 3 months, Lessor notifies Lessee with reasonable promptness after it learns of the extent of the Taking that it will restore the Premises within 3 months after the Taking ends, and Lessor restores the damage caused to the Premises by the Taking within 3 months after the Taking has ended (subject to delays caused by Lessee or matters not within Lessor's reasonable control). If the Lease remains in effect under the preceding sentence, then Lessee's rent will abate in proportion to the portion of the Premises (excluding Lessee's Improvements) that is not usable by reason of the Taking for so long as this portion is not usable.

Lessor will receive the whole of any award or other compensation for any Taking for the full value of the portion of the Premises that is subject to the taking, and Lessee assigns to Lessor, and hereby waives, all claims for any part of this award or other compensation, including, but not limited to, all claims that it may have for the value of Lessee's rights or interest under this Lease (its leasehold interest) and for the loss of or diminution in the value of that leasehold interest. However, Lessee shall have the right to make a separate claim against the condemning governmental authority (but not against Lessor) for the damage to its Improvements (except to the extent that Lessor paid for these Improvements by an allowance or otherwise), fixtures, equipment, furniture, or merchandise, for any moving expenses, and for its loss of business (excluding the loss of its leasehold interest, which it has waived as provided above).

**19. Switchtracks.** If any railroad or switchtracks serve the Premises, Lessee shall pay any and all costs for the care, repair and maintenance of these railroad or their switchtracks and all franchise charges in connection therewith.

**20. Signs by Lessee.** Lessee shall have the right to erect and maintain signs advertising Lessee's business on the interior and exterior of the Premises, provided that such signs are erected and maintained in accordance with the rules and regulations of the properly constituted authorities and all signs are subject to Lessor's prior approval (which shall not be unreasonably withheld). All such signs shall be Improvements, and shall be governed by the Improvements Section of this Lease. As in the case of other Improvements, at Lessor's election, Lessee shall remove all such signs at the termination of this Lease and shall repair all damages caused by the erection, maintenance or removal of these signs.

**21. Right of Entry by Lessor; For Sale and Rent Signs.** Lessor, its property manager, and their respective agents, employees, and contractors shall have the right to enter the Premises, from time to time, during reasonable hours (by pass key if Lessor reasonably believes the circumstances to be an emergency), to inspect the Premises, to show the Premises to prospective purchasers, lenders, or during the last year of the term, tenants, to cure Lessee's defaults, or to perform such other work as Lessor considers necessary or desirable, or for any other reasonable purpose, and Lessee waives any and all claims for damages in connection with any entry for these purposes. Lessor will endeavor to give Lessee reasonable prior notice of any entry except in an emergency. This notice may be oral and may be given by Lessor's agent or other representative. Lessor shall also have the right to place the usual "For Sale" and "By Auction" signs on the Premises at any time during the term of this Lease and the usual "For Lease" signs on the Premises during the last year of the term.

**22. Lessee's Return of Premises at Termination.** At the termination of this Lease, Lessee shall return the Premises to Lessor, in the condition in which Lessee is required to maintain them under this Lease, broom clean and free from trash, and shall deliver all keys to the Premises to Lessor. Lessee hereby waives all notice to vacate under La. Code Civ. P. art. 4701 or any other provision of law, and waives any right under La. Civ. Code art. 2721 to claim that this Lease has reconducted by reason of Lessee's holding over unless Lessor has agreed in writing that Lessee may stay after the Fixed Expiration Date. If Lessee stays in the Premises with Lessor's consent, then this Lease shall become a month-to-month lease, on the same terms that were in



effect prior to the expiration date, except that either party may terminate this Lease, effective as of the last day of any calendar month, by notice given to the other 10 days before the end of that calendar month.

If Lessee does not return the Premises to Lessor on the termination date in the condition required in this Lease and continues to hold over after Lessor has demanded that Lessee vacate the Premises, Lessee shall pay Lessor for each day of Lessee's continued occupancy, a liquidated damages amount equal to 5 times the daily rate of Monthly Rent, Real Estate Taxes, and insurance premiums payable under this Lease immediately prior to the termination date. The assessment or payment of these liquidated damages shall not extend the term of this Lease, give Lessee any right to remain in possession of the Premises after the termination of this Lease, or waive any of the Lessor's rights under this Lease to evict Lessee or to collect any additional damages to which it may be entitled, whether direct or consequential.

**23. Compliance with Laws; No Nuisance; No Residential Use.** Lessee, at Lessee's expense, shall comply with all Laws, including, without limitation, the Americans With Disabilities Act, all environmental Laws, all life safety and fire codes, the Occupational Safety and Health Act, and all other Laws that relate to the use, maintenance, condition, cleanliness, safety, and occupancy of the Premises and the business conducted in or at the Premises. Lessee shall obtain and pay for all permits, including all permits needed for the construction and occupancy of all improvements needed initially to make the Premises suitable for Lessee's use, and a Certificate of Occupancy if necessary, required for Lessee's occupancy of and conduct of business in the Premises. Lessee shall not do or permit anything to be done in the Premises that would be a nuisance or annoyance to other tenants of any nearby property owned by Lessor or managed by Lessor's property manager. No auction sales or other sales not in the ordinary course of Lessee's business shall be conducted in the Premises, without the prior written consent of Lessor. In no circumstances shall the Premises be used for overnight sleeping or for habitation.

**24. Events of Default.** The occurrence of any one or more of the following events shall, at Lessor's option, be an event of default ("Event of Default") under this Lease:

(a) Lessee fails to pay any rent on the date on which it is due and this failure continues for 5 days after notice by Lessor to Lessee of this failure (provided that if Lessee fails to pay rent when due on 2 occasions during a twelve-month period and if Lessor gives Lessee notice of this failure on these occasions, then an Event of Default will occur immediately, without any notice or opportunity to cure, if during the same twelve-month period, Lessee again fails to pay any rent on the date on which it is due); or

(b) Lessee (x) fails to keep in effect any of the insurance required under this Lease, with no notice or opportunity to cure, or (y) fails to provide Lessor with a certificate of insurance or evidence of payment of insurance premiums at any time when required, and Lessee fails to cure this failure described in (y) within 5 business days after notice by Lessor to Lessee of this failure;

(c) Lessee violates any Law or permits an unsafe or unlawful condition to exist on the Premises that, in either case, could cause Lessor or the Premises to be subject to liability, fines or penalties; or

(d) Except as provided in (a), (b), or (c) above, Lessee violates or fails to comply with any of its obligations under this Lease when this compliance is due, and this failure continues for 10 days after notice by Lessor to Lessee of this failure (provided that if 2 such failures occur during any twelve-month period and if Lessor gives Lessee notice of the failure on each occasion, then an Event of Default will occur immediately, and without notice or opportunity to cure, if during the same twelve-month period, Lessee again violates or fails to comply fully with the same or any other provision of this Lease); or



(e) Lessee becomes insolvent or files a voluntary petition in bankruptcy, or a petition for involuntary reorganization or bankruptcy is filed against Lessee, or Lessee is dissolved or adjudicated bankrupt, or a receiver is appointed for Lessee's business or its assets, or Lessee makes an assignment for the benefit of its creditors.

**25. Lessor's Default Remedies.** Upon the occurrence of an Event of Default, Lessor may proceed for past due rent, and, at its option: (i) keep this Lease in effect, reserving its right to proceed later for the remaining installments of rent as they become due, and at Lessor's option, proceed for specific performance and/or an injunction to enforce specific provisions of this Lease; or (ii) declare all of the unpaid installments of Monthly Rent for the remainder of the term at once due and payable, with each Monthly Rent installment being discounted to present value at the rate of 3% per annum (the "Discount Rate"), whereupon this entire amount shall become and be immediately due and payable, with this Lease remaining in effect, Lessee remaining obligated to pay the Real Estate Taxes, insurance premiums and other amounts coming due during the term, and Lessor reserving the right to collect all additional amounts that become due; (iii) terminate this Lease by notice to Lessee, and in that event, this Lease will terminate on the date designated by Lessor in its termination notice, and Lessee will remain liable as provided below; and/or (iv) enforce any or all other rights or remedies provided in this Lease or permitted by law. All rights and remedies of Lessor under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by this Lease or by law.

If Lessor elects option (iii) and terminates this Lease, then Lessor may re-lease the Premises for such price and on such terms as may be immediately obtainable, and Lessee will be and remain liable, not only for all rent due and other obligations incurred up to the termination date of this Lease and for all holdover damages that accrue under Section 22 until Lessee vacates or is removed from the Premises, but also for stipulated or liquidated damages for its nonperformance equal to the sum of (a) all expenses that Lessor incurs in re-entering and re-possessing the Premises, putting the Premises in proper repair, curing Lessee's defaults, removing Improvements and Lessee's Property, if Lessor has elected to require such removal, making any reasonable, non-structural modifications that may be required for any new tenants, and reletting the Premises, including reasonable attorney's fees and disbursements, actual sheriff's fees, and market-rate brokerage fees incurred in this re-leasing, plus (b) the greater of (x) an amount equal to 12 months of the Monthly Rent, Real Estate Taxes, and insurance premiums that were payable at the time of termination (or, if a lesser period would have remained from the termination date until the Fixed Expiration Date, an amount equal to those amounts that would have been payable for this lesser period had this Lease not terminated), or (y) the amount by which the aggregate of all Monthly Rent that Lessor was to have received under this Lease, on a net lease basis, from the date on which Lessee vacated or was removed from the Premises to the Fixed Expiration Date (with each payment discounted to present value at the Discount Rate), exceeds the net fair market rental value of the Premises during this period (with each periodic fair market value amount also being discounted to present value at the Discount Rate). For purposes of the calculation set out in (y) above, no fair market rental value will be attributed to any period prior to the time at which Lessor could reasonably have been expected to have obtained a new tenant for the Premises, and if Lessor has leased the Premises to a new tenant, then the rental payable by the new tenant will be conclusively deemed to be the fair market rental value of the Premises, and the period between the date on which Lessee vacated the Premises and the commencement of the new lease will be deemed to be the time within which Lessor could reasonably have been expected to have obtained a new tenant for the Premises.

In addition to, and not instead of the above remedies, if Lessee fails to perform any of its obligations under this Lease when its performance is due, then Lessor will have the right, but not the obligation, to pay all sums and take all actions that are necessary or desirable to perform Lessee's obligations. If Lessor elects to perform Lessee's obligations, then Lessee will reimburse Lessor for the costs incurred by Lessor in doing so, plus an additional 15% of these costs to reimburse Lessor for its administrative expenses, within 5 days after demand. The performance by Lessor of Lessee's obligations will not be construed as a modification or waiver of any provision of this Lease, and these obligations will remain the obligations of Lessee. In addition, neither the performance of Lessee's

obligations by Lessor nor Lessor's failure to perform Lessee's obligations will preclude Lessor from exercising any of its other rights or remedies set out in this Section by reason of Lessee's default.

**26. Interest; Late Charge.** Any amount due to Lessor that is not paid when due shall bear interest at the rate of 18% per annum (the "Default Rate") from the date due, until paid in full. In addition, if Lessee fails to pay any amount due under this Lease within 5 days after the due date, then in addition to the amount due, Lessee shall pay Lessor a late charge equal to 6% percent of the amount due. Payment of this interest and this late charge shall not excuse or cure any default by Lessee under this Lease or be construed as a waiver of Lessor's right to enforce any other remedies with respect to any other provisions of this Lease.

**27. Attorney's Fees.** If Lessee fails to perform any of its obligations under this Lease and Lessor engages an attorney by reason of this failure, then whether or not judicial proceedings have been started, Lessee shall reimburse Lessor for all of its costs and expenses, including, but not limited to, the reasonable fees of its attorney (if the collection of money is involved, these fees shall not be less than the greater of \$500 or 25% of the amount sought to be collected), and if judicial proceedings have been started, all court costs incurred in these proceedings. Lessee shall also pay Lessor's reasonable attorney's fees incurred in connection with all requests by Lessee for Lessor's consent or execution of any document. If any sums due to [agency name], Inc. under this Lease are not paid when due and [agency name] engages an attorney to collect these sums, then, whether or not judicial proceedings have been started, the party against whom [agency name] is proceeding shall pay [agency name] the reasonable fees for this attorney (if the collection of money is involved, these fees shall not be less than the greater of \$500 or 25% of the amount sought to be collected), together with all other costs and expenses reasonably incurred by [agency name] in collecting these sums.

**28. Lessor's and Mortgagee's Default Notice.** Lessee shall give Lessor notice of any failure by Lessor to comply with any of its obligations under this Lease, and a reasonable time to cure any such failure before Lessee exercises any rights or remedies. Lessee shall also give any Mortgagee a copy of any such notice of default given to Lessor in the same manner in which this notice is given to Lessor, provided that prior to such notice, Lessee has been notified of the address of the Mortgagee. Any such Mortgagee shall have the right (but not the obligation) to cure any such failure on behalf of the Lessor for a period of 90 days after Lessee has provided it with the copy of the notice given to Lessor, or, if the default is of such a nature that it cannot be cured within this 90-day period, the Lessor, the Mortgagee will have such additional time to cure the default as may be required under the circumstances provided that this cure is begun within the 90 days after Lessee's initial notice and thereafter is diligently pursued to completion (including commencement of foreclosure proceedings or other proceedings to gain possession of the Premises if necessary to cure this default).

**29. Notices.** All notices, demands, requests, consents, and approvals under this Lease shall be in writing (unless otherwise specified). Notices, demands, and other such communications shall be considered as duly given if (i) addressed to the other party's notice address and mailed by registered or certified mail, postage prepaid; or (ii) delivered to the Notice Address by recognized national overnight courier such as Federal Express, by facsimile or in person. Notices, demands, and other such communications will be considered to have been given either (a) on the date mailed by registered or certified mail, postage prepaid, or (b) if transmitted by another method, on the date received. A party's notice address will initially be the address designated as its notice address on the signature page of this Lease, but each party may change its notice address by no less than 15 days' prior notice to the other party and to Lessor's property manager. Notices to Lessor will also be given to Lessor's property manager (provided that Lessor or Lessor's property manager has notified Lessor of the address of this property manager) and notices or demands given by Lessor's property manager will be deemed given by Lessor.

**30. Partial Invalidity.** If any provision of this Lease or its application is invalid or unenforceable to any extent or in any circumstance, the remainder of this Lease or the application of this provision in other circumstances

shall not be affected, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

**31. Sublease and Assignment.** Lessee shall not voluntarily or by operation of law assign, sublease, mortgage, or otherwise transfer the Premises or any of Lessee's interest in this Lease or in the Premises, without Lessor's prior written consent. Lessor will not unreasonably withhold its consent to a sublease or assignment provided that the requirements of this Section are satisfied. Any attempted or actual subleasing or assignment by Lessee or its successor occupants of the Premises shall be handled by [agency name] as leasing agent, and Lessee and its successor occupants shall pay [agency name] a commission as set forth in Section 34, subparagraph 1, 2 or 3, substituting Sublessor for Lessor, Sublessee for Lessee and Sublease for Lease.

If Lessee wishes to sublease the Premises, to permit any other person to occupy any part of the Premises (any such occupancy will be considered a sublease unless all of Lessee's rights and interests under this Lease are transferred, and then it will be considered to be an assignment), or to assign its rights under this Lease, then 30 days before the proposed effective date of the sublease or assignment, Lessee will provide Lessor with the name and address of and a financial statement of the proposed sublessee or assignee, the proposed terms of the sublease or assignment, the proposed form of the sublease or assignment, and a \$500 fee to cover Lessor's costs of reviewing Lessee's request. Without limiting Lessor's right to withhold its consent, Lessor will have the right to withhold its consent (i) if an Event of Default is then in existence, (ii) if the proposed sublessee or assignee does not have net worth that is the same as or equal to the net worth of Lessee as of the execution date of this Lease, or (iii) if the proposed sublease or assignment does not require the sublessee or assignee to use the Premises for the Permitted Use or is otherwise not on the same terms and conditions as this Lease.

If Lessor approves Lessee's request, then (x) in the case of an assignment, the assignment document shall include an agreement by the assignee in favor of Lessor in which the assignee assumes and agrees to be bound and liable to Lessor for all of the terms and provisions of this Lease, (y) in the case of a sublease, the sublease shall include an agreement by the subtenant in favor of Lessor in which the subtenant agrees that the sublease shall be subject and subordinate to this Lease and all of Lessor's rights under this Lease, but that upon the occurrence of a default by Lessee, if Lessor, at its option, gives the subtenant notice requiring that subtenant pay its rent under the sublease directly to Lessor, then the subtenant shall pay its rent directly to Lessor; and (z) in the case of either an assignment or a sublease, the assignment document or the sublease shall include an agreement by Lessee in favor of Lessor in which Lessee acknowledges that neither the assignment nor the sublease nor any of the assignee's or the sublessee's agreements in those documents or Lessor's consent to the assignment or sublease, shall relieve or release Lessee from primary liability under this Lease, but that Lessee is bound and shall remain bound as the primary obligor under this Lease notwithstanding the assignment or sublease. Lessee will provide Lessor with the original of each sublease or assignment document immediately after it is executed. If the rent and other consideration to be paid by the sublessee or assignee to the Lessee, net of leasing commissions payable to [agency name] as provided below, is greater than the rent payable under this Lease, then Lessee shall pay Lessor one-half of the excess.

No assignment, sublease, mortgage, or other transfer of the Premises, or any part of it, or any of Lessee's rights under this Lease, shall release Lessee from any of Lessee's obligations under this Lease, and Lessee shall be and remain primarily bound and obligated to pay the rent and to perform all other obligations under this Lease for the full term notwithstanding any assignment, sublease, mortgage, or other transfer or Lessor's consent to any assignment, mortgage, sublease, transfer, or other encumbrance, or acceptance of rent from any such transferee. Lessor's consent to one assignment, sublease, mortgage, or other transfer shall not be deemed consent to any subsequent transfer or encumbrance.

**32. Estoppel Certificate.** At any time, from time to time, and upon not less than 10 days notice from Lessor, Lessee shall execute and deliver to Lessor a statement in writing (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modifications, and certifying that this Lease,

as so modified, is in full force and effect) and certifying the amount of all rent and other charges then payable and the date to which the rent and other charges have been paid, including any rent and other charges that have been paid in advance, (b) certifying that to the best of Lessee's knowledge, the Premises are in the condition required in the Lease, Lessee has no set offs or deductions from the rent, there are no defaults on the part of Lessor under the Lease and there are no events or circumstances that, with notice or time to cure, would lead to a default on the part of Lessor under the Lease, and specifying such defaults or such events or circumstances, if any, that are claimed, and (c) certifying or agreeing to such other reasonable matters as are customarily included in a lessee's estoppel certificate delivered to a purchaser or lender (an "Estoppel Certificate"). In addition to Lessor's other rights and remedies for default, Lessee's failure to deliver an Estoppel Certificate within 10 days after notice by Lessor shall be conclusive upon Lessee that the matters set out in the form of Estoppel Certificate presented to Lessee are true and accurate.

**33. Subordination; Attornment.** This Lease and all rights of Lessee under this Lease are subject and subordinate to any mortgage or ground lease that may now or after this date encumber the Premises. However, Lessor hereby agrees that no Mortgagee will disturb Lessee's possession of the Premises under this Lease. This section is self-operating, and no additional subordination agreement is required. However, to confirm this subordination, from time to time upon request by Lessor or Lessor's Mortgagee, Lessee shall promptly execute and deliver any subordination agreement that Lessor or a Mortgagee may request, provided that this subordination agreement includes an agreement by the Mortgagee that as long as there is no Event of Default by Lessee, the Mortgagee will not disturb Lessee's possession of the Premises under this Lease. Notwithstanding the subordination provisions set out above, any Mortgagee may elect from time to time that this Lease will have priority over its mortgage, and, effective immediately upon the Mortgagee's notification to Lessee of this election, this Lease be superior and prior in rank to that Mortgagee's mortgage.

If any Mortgagee or any other person acquires Lessor's interest in the Premises by reason of the enforcement of a mortgage or ground lease, or otherwise succeeds to the rights of the Lessor under this Lease, then upon request of such successor, Lessee shall attorn to and recognize the successor as Lessee's landlord under this Lease, provided that the successor will not be obligated to pay amounts due by the prior lessor or liable for defaults of the prior lessor. Upon demand of any such successor, Lessee shall execute and deliver an attornment agreement to evidence and confirm these attornment provisions provided that this agreement contains an agreement by the successor that it accepts Lessee as its Lessor under the Lease from and after the date on which the successor acquired the Premises.

**34. Commission.** In consideration for its services provided in negotiating this Lease, furnishing representation, and/or bringing Lessor and Lessee together, Lessor acknowledges that [agency name] has earned a commission for these services in the amount set forth below (the "Commission"), and that Lessor shall pay this commission to [agency name] in accordance with subparagraph 1, 2, or 3 below, as marked:

1. The Commission shall be equal to 4% of the Monthly Rent payable under this Lease if the initial term of this Lease is 3 years or more, exclusive of any option or renewal term, and shall be equal to 6% of the Monthly Rent payable under this Lease if the initial term is less than 3 years, and in either event, shall be paid by Lessor in cash, in full, on the date on which both parties have executed this Lease.
2. The Commission shall be equal to 6% of the Monthly Rent payable under this Lease, and shall be paid by Lessor in cash annually in advance.
3. The Commission shall be equal to 8% of the Monthly Rent payable under this Lease, and shall be paid by Lessor in cash, in advance, based upon the Monthly Rent then due under this Lease, on or before the first day of each month during the term of this Lease.

If Lessor has not marked 1, 2, or 3 above, then Lessor shall be deemed to have selected, and the Commission shall be deemed to be governed by, 1 above. Notwithstanding anything to the contrary in the foregoing, if the Commission is payable on rent escalations in circumstances in which the amount of the escalation is to be determined by a future variable such as the Consumer Price Index, then the portion of the Commission that is payable based on this variable, shall be paid when this variable becomes known, and the escalated rent is calculated. Lessor further agrees to pay the same percentage of the Monthly Rent (and any other fixed rent payable under this Lease) that is set out in the selected section above during the term of any and all renewals, extensions, expansions or new leases made between (x) Lessor or any successor owner of the Premises or any ground lessee of the Premises that becomes the lessor under this Lease, and (y) the Lessee or its parent, subsidiary, or affiliate or any sublessee, successor, assign, or designee of Lessee, with respect to the Premises or any part of it, even if the renewal, extension, expansion, or new lease includes additional property (any such renewal, extension, expansion, or new lease is an "Extension"). The Commission payable under 1 above with respect to an Extension shall be paid on the date on which Lessor becomes bound for the Extension (this is the date on which Lessor exercises its option to renew or extend the term if this Lease contains a right to renew or extend, and if the term of this Lease becomes month to month, then the term of the Extension shall be monthly and the Commission shall be payable on or before the first day of each month until such time as the parties fix a longer term, and then the full Commission will be payable for that longer term on the date on which both parties become bound for it). Lessor and Lessee hereby conclusively acknowledge and agree that any Extension is actually an extension of this Lease even if it takes the form of a new lease and even if an affiliate or successor in interest of Lessor or Lessee is a party to it, that this Extension would not have come about without [agency name]'s services, and that [agency name], has therefore earned the Commission with respect to the Extension. If this Lease is canceled or terminated by mutual agreement of Lessor and Lessee, and the Commission payable during the unexpired term has not been paid in full, Lessor shall, simultaneously with such cancellation or termination, pay to [agency name] a commission of 6% of all Monthly Rent that would have been payable during the unexpired term had this Lease not been terminated.

**35. Payment of Commissions if the Premises Are Sold.** If the Premises or any part of them are sold or in any way transferred during the term of this Lease or any Extension, Lessor will either pay [agency name] any and all unpaid Commissions (calculated as set out in Section 34 above) for the portion of the term of this Lease or the Extension that would have remained had the sale or other transfer not occurred or, if the Lease or Extension remains in effect, will have the purchaser or transferee assume the payment of these Commissions expressly in writing and will immediately deliver the written assumption to [agency name] However, no such assumption shall release or relieve Lessor from its primary obligation to pay the Commission, and Lessor shall remain primarily and personally bound.

**36. Commission on Sale of Premises to Lessee or Related Party.** If the Premises or any part of the Premises or any larger property of which the Premises form a part is sold or otherwise transferred to the Lessee or its parent, subsidiary, or affiliate or any sublessee, successor, assign, or designee of Lessee during the term of this Lease, or any Extension, or during the one-year period following the termination of this Lease or any Extension, then on the effective date of this sale or other transfer, Lessor shall pay [agency name] a cash commission equal to 6% of the sale price, or if the transfer is not completely in the form of a sale or the consideration is not entirely cash, a cash commission equal to 6% of the aggregate of all cash and the market value of all other consideration (including, but not limited to, the market value of all exchange property, determined as of the date of the transfer), received for this transfer. [agency name] shall receive this commission in full and there shall be no participation with any other real estate agent or broker.

**37. Past Due Commissions.** Commissions due under Sections 31, 34, 35, or 36 above that are not paid when due shall bear interest at the Default Rate from the date due, until paid in full. In addition to the other rights and remedies that [agency name] has or may have under this Lease, under any separate commission agreement, or at law, including, but not limited to, its right to assert its broker's lien or privilege, if Lessor or any successor

owner of the Premises or any ground lessee of the Premises that becomes the lessor under this Lease ("Lessor's Successor") at any time fails to pay the Commission due under Sections 34 and 35 to [agency name] on the day on which it is due, then [agency name] may give written notice of such default to Lessor and Lessor's Successor, or either of them, at [agency name]'s option, in one of the methods set out in this Lease for the giving of notice, to the address of that party set forth in this Lease, or at such other address as Lessor, Lessor's Successor, or Lessee may have provided to [agency name]. If the full Commission amount due (together with all interest that has accrued on it at the Default Rate) has not been fully paid to [agency name] within 15 days after the date of this notice, then Lessee shall pay the next installment of Monthly Rent to [agency name] and shall continue to pay the subsequent Monthly Rent installments to [agency name] until the aggregate of all Monthly Rent paid to [agency name] equals the amount of the unpaid Commission then due and owing to [agency name] under this Lease, together with all interest that has accrued on this amount at the Default Rate. Lessor hereby collaterally assigns the Monthly Rent payable under this Lease to [agency name], to secure the full payment of the Commission due under Sections 34 and 35 of this Lease for the entire term of the Lease and all Extensions up to, but not in excess of, an amount equal to 5 times the Monthly Rent payable hereunder during the initial term. Lessor agrees that the Monthly Rent payments made to [agency name], under this Section will satisfy Lessee's obligation to pay these Monthly Rent installments to Lessor and will be deemed to have been made to Lessor. The payment of Monthly Rent by Lessee to [agency name] shall not constitute a default by Lessee under this Lease of its obligation to pay rent or otherwise.

**38. [agency name] as Third Party Beneficiary; [agency name]'s Limited Acceptance of This Lease.**

Lessor and Lessee hereby agree and acknowledge that [agency name] has manifested its intention to avail itself of the benefits, stipulations and provisions in this Section and Sections 31, 34, 35, 36, 37, 43 and 47 of this Lease and the other provisions benefiting [agency name] (the "[agency name] provisions"), and that [agency name] and its successors and assigns shall be deemed to be third party beneficiaries with respect to the [agency name] Provisions. The [agency name] Provisions shall not be removed, deleted, revoked or amended without the prior written consent of [agency name]. The [agency name] Provisions shall be binding upon and shall inure to the benefit of the successors and assigns of Lessor, Lessee and [agency name], and shall survive the termination of this Lease. [agency name] has negotiated this Lease and in doing so has rendered valuable services, and it is made a party to this Lease solely to accept the benefits granted to it in enable it to enforce its rights set out in this Lease, and not for any other purpose whatsoever. Without limiting the generality of this provision, [agency name], shall not be liable for performing the obligations of Lessor or Lessee under this Lease and shall not be considered a "party" to this Lease, other than for purposes of being able to enforce the [agency name] Provisions.

**39. Entire Agreement.** The whole agreement between the parties is set forth in this Lease, and they shall not be bound by any letters of intent, agreements, conditions, understandings or representations unless expressly set out in this Lease. No subsequent alteration, amendment, change or addition to this Lease shall be binding on the parties unless executed in writing by the parties.

**40. Limitation of Lessor's Liability; Release of Lessor on Sale.** Lessor's liability to Lessee under this Lease for damages, breach of lease, or otherwise, shall be limited to and shall in no event exceed Lessor's equity interest in the Premises and the rents from the Premises. Lessee will look only to the interest of Lessor in the Premises and the rents from the Premises for the satisfaction of any judgment for the payment of money as a result of any negligence of or default of Lessor under this Lease, and no other property of Lessor will be subject to levy, execution or other enforcement procedure for the satisfaction of a judgment or other remedies. Upon a sale or transfer of the Premises, by Lessor or a subsequent transferor of the Premises, the transferee that has acquired the Premises shall be bound for the performance of all of Lessor's obligations under this lease, and the transferor shall be released from any and all liability for performance of obligations under this Lease after the date of the transfer, except that the Lessor's and all future lessors' obligations with respect to commissions and other amounts owed to [agency name], shall remain binding after a transfer. In no event shall this Section or any

other provision of this Lease limit Lessor's liability or obligations to [agency name] or any transferee to [agency name] or its successors or assigns.

**41. Existing Title Matters; Future Servitudes and Restrictions.** Lessee acknowledges that the Premises are subject to all title matters that are of record and that would be shown on a current survey and all other encroachments, servitudes, overhangs, title and zoning restrictions, ordinances, and other matters of record. Lessor reserves the right to grant such servitudes, rights, dedications, and restrictions as Lessor may deem necessary or desirable from time to time, so long as these rights granted do not unreasonably interfere with the use of the Premises by Lessee. Lessee shall join in and execute any of these documents at Lessor's request.

**42. No Waiver of Strict Compliance.** Lessor's failure to require strict compliance by Lessee with any of the requirements of this Lease on one or more occasions will not waive Lessor's right to require that Lessee comply strictly with that requirement on a later occasion (for example, Lessor's acceptance of late rent on one occasion or over a period will not prevent Lessor from later requiring that all future rent be paid strictly on time).

**43. Short Form of Lease.** Either Lessor or Lessee shall, upon request of the other, execute and deliver to the other a "short form" of this Lease for recording. This "short form" may be recorded at the expense of the party that desires recordation. If a "short form" is recorded by either party, then at the end of the term, Lessee will execute and deliver to Lessor any document that Lessor may require to stating that this Lease has terminated and canceling the "short form" from the public records. [agency name] shall not be obligated to prepare or record this lease or a "short form" of this Lease and will not be liable to either party if neither this Lease nor a "short form" is recorded.

**44. Successors and Assigns.** Subject to the limitation on Lessee's right to assign, sublease or encumber, each party's agreements and obligations in this Lease shall be binding on and shall inure to the benefit of the parties, their heirs, executors, administrators, successors, and assigns.

**45. No Discrimination.** Lessor agrees that there will be no discrimination against, or segregation of, any person or group of persons on the basis of race, color, sex, religion, national origin or marital status in the leasing, subleasing, transferring, occupancy, tenure or use of the Premises or any larger property of which it forms a part.

**46. Corporate or Partnership Lessee.** If Lessee is a corporation, partnership, or limited liability company, each person signing this Lease on behalf of Lessee represents and warrants that he has full authority to do so and that this Lease binds the corporation, partnership or limited liability company. Within 30 days after this Lease is signed, Lessee shall deliver to Lessor a certified copy of a resolution of Lessee's Board of Directors or such other evidence of the signatory's authority as Lessor may reasonably require to show that Lessee's governing body has authorized this Lease and that the signatory was duly authorized to execute it on behalf of Lessee.

**47. Hazardous Materials; Mold.** Lessee shall not introduce any unlawful or unpermitted levels of any asbestos, petroleum products, or hazardous, infectious, or toxic materials, substances, or solid wastes (collectively, "Hazardous Materials") into the Premises, the water supply or other utilities or drainage system supporting the Premises, or any property adjoining the Premises, and shall not permit any mold or bacterial or fungal matter to grow upon the Premises. With respect to Hazardous Materials, if any, that are necessary for the normal operation of the Permitted Use, Lessee shall comply, at its expense, with all applicable Laws pertaining to the transportation, storage, handling, treatment, emission, use, or disposal of these Hazardous Materials, including, without limitation, the obtaining of all necessary permits, and in no event shall Lessee dispose of Hazardous Materials on the Premises. Lessee agrees to notify Lessor immediately of any claim, loss or damage resulting from the actual or alleged presence of Hazardous Materials or mold or bacterial or fungal matter on the Premises, and in such event,



Lessee shall, at Lessee's expense, and after consultation with and approval by Lessor, remove all such Hazardous Materials and all such mold and bacterial and fungal matter from the Premises in accordance with all applicable Laws. Lessee shall furthermore indemnify, defend and hold Lessor and its property manager and their respective agents, employees, contractors, successors and assigns, harmless from and against any penalties, claims, injunctions, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any Hazardous Materials and any and all mold and fungal matter. This provision shall survive the termination of this Lease. [agency name] has notified Lessor and Lessee that the Premises contain or may contain mold or bacterial or fungal matter or Hazardous Materials. Lessor and Lessee hereby agree and bind themselves to hold harmless, indemnify and defend [agency name] from and against any and all liability on account of any matter whatsoever relating to the use, operation and occupancy of the Premises including, but not limited to, attorney's fees, costs and expenses of trial, discovery and appeals, if any. Lessee also acknowledges that the real estate agent has directed Lessee to the mold informational pamphlets maintained on the United States Environmental Protection Agency (EPA) website at <http://www.epa.gov/iaq/molds/index.html>.

**48. Miscellaneous.** The section and paragraph captions and headings are for convenience of reference only and in no way shall be used to constitute or modify the provisions set forth in this Lease. **If more than one person signs this lease as Lessee, each signatory shall be included in the term "Lessee" and shall be liable solidarily for all obligations of the Lessee under this Lease; that is, each signatory will be liable for all Lease obligations as if it was the only person that signed this Lease as the Lessee.** The term "days" will mean calendar days unless "business days" are stated. "Business days" will mean days on which banks in the parish in which the Premises are located are open for business. The term "person" will mean any person, corporation, partnership, limited liability company, or other entity. If there is any conflict between the printed portions and the typewritten or handwritten portions of this Lease, the typewritten or handwritten portions shall prevail. This Lease shall be governed by and construed in accordance with Louisiana law. All terms and words used in this Lease, regardless of their number and gender, shall be deemed and construed to include any other number, singular or plural, and any other gender masculine, feminine, or neuter, as the context may require.

**49. [Permits.]** *Lessee will have the right to terminate this Lease by notice to Lessor given within \_\_\_\_\_ days after the Effective Date if it has not been able to obtain the necessary governmental permits for \_\_\_\_\_ [initial construction or use] (the "Initial Permits"), but only if Lessee has applied for these Initial Permits within 5 business days after the Effective Date and has used its diligent efforts to obtain the Initial Permits during the next \_\_\_\_\_ days. If Lessee terminates this Lease under this Section, then Lessor shall immediately return Lessee's security deposit and/or any advanced rentals, less any amounts retained to cover any physical damage to the Premises caused by Lessee or its agents or contractors.]*

**50. Exhibits, Addenda and Riders.** The following Exhibits, Addenda, and Riders form a part of this Lease \_\_\_\_\_ for \_\_\_\_\_ all \_\_\_\_\_ purposes:

**TO SHOW ITS AGREEMENT** to all of the provisions of this Lease, each party has signed this Lease on the date set out below. If one party signs this Lease before the other, then this Lease will remain binding on that party for \_\_\_ days, and will cease to be binding on that party unless it is signed by the other party within this \_ day period, unless the first signatory extends this period in writing.



Lessee:

Date: \_\_\_\_\_

Initial Notice Address \_\_\_\_\_

Facsimile: \_\_\_\_\_

Lessor:

Date: \_\_\_\_\_

Initial Notice Address \_\_\_\_\_

Facsimile: \_\_\_\_\_

[agency name] hereby agrees to and accepts the rights and benefits contained in the above Lease, this

[AGENCY NAME]

By:

\_\_\_\_\_  
Manager

STATE OF LOUISIANA  
PARISH OF \_\_\_\_\_

### NOTICE OF LEASE

THIS NOTICE OF LEASE, is made and entered into effective as of the Effective Date of the Lease (defined below) to memorialize a Lease Agreement by and between \_\_\_\_\_, a Louisiana \_\_\_\_\_ ("Lessor"), with a mailing address \_\_\_\_\_, and \_\_\_\_\_, a Louisiana \_\_\_\_\_ ("Lessee"), (beginning collectively known as "Parties") mailing address of \_\_\_\_\_, upon each and all of the terms, covenants, and provisions thereof, all of which are by this reference incorporated herein and made a part hereof, the same as though fully set forth herein.

1. **Execution Date.** A lease ("Lease") was executed by Lessor and Lessee effective \_\_\_\_\_ ("Effective Date").
2. **Leased Property.** Lessor has leased to Lessee the premises, more fully described as:

("Premises")

3. **Term.** The term of the Lease ("Term") shall commence on the Effective Date and continuing until \_\_\_\_\_, unless sooner terminated in accordance with the Term of the Lease. Lessee shall have \_\_\_\_\_ (#) options to renew and extend the Term of the Lease for a period of \_\_\_\_\_ (#) years each, on the terms and for the rental set forth in the Lease. Lessee must give Lessor advanced written notice of its intent and election to renew the Lease as set forth in the Lease. Lessee holds both a RIGHT OF FIRST REFUSAL and an OPTION TO PURCHASE for the sale of the Premises for the duration, including all extensions, of the term of the Lease.

This Notice of Lease is executed by the parties hereto in accordance with the provisions of La. R.S. 9:2742. It is the intention of the Parties hereto that this Notice of Lease give notice of the Lease and all of its terms and provisions, all of which are hereby incorporated in to this Notice of Lease by reference. This Notice of Lease may be signed in multiple counterparts, which when combined shall form one original of this instrument.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Lease Agreement on  
\_\_\_\_\_ day of \_\_\_\_\_, 2018.

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_

LESSEE:

\_\_\_\_\_

LESSOR:

\_\_\_\_\_

Example

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Lease Agreement on  
\_\_\_\_\_ day of \_\_\_\_\_, 2018.

WITNESSES:

LESSEE:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

LESSOR:

\_\_\_\_\_

Example



# A. Settlement Statement (HUD-1)

OMB Approval No. 2502-0265

**B. Type of Loan**

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input type="checkbox"/> Conv. Unins.	6. File Number: BLANK HUD	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.				

**C. Note:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agents are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower:	E. Name & Address of Seller: Seller	F. Name & Address of Lender:
G. Property Location:	H. Settlement Agent:  Place of Settlement: Phone: Fax:	I. Settlement Date: Disbursement Date:  TitleExpress Printed 11/17/2009 at 1:13 pm EST

**J. Summary of Borrower's Transaction**

100. Gross Amount Due from Borrower	
101. Contract sales price	
102. Personal property	
103. Settlement charges to borrower (line 1400)	
104.	
105.	
Adjustments for items paid by seller in advance	
106. City/town taxes to	
107. County taxes to	
108. Assessments to	
109.	
110.	
111.	
112.	
120. Gross Amount Due from Borrower	
200. Amounts Paid by or In Behalf of Borrower	
201. Deposit or earnest money	
202. Principal amount of new loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209.	
Adjustments for items unpaid by seller	
210. City/town taxes to	
211. County taxes to	
212. Assessments to	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. Total Paid by/for Borrower	0.00
300. Cash at Settlement from/to Borrower	
301. Gross amount due from borrower (line 120)	0.00
302. Less amounts paid by/for borrower (line 220)	0.00
303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	0.00

**K. Summary of Seller's Transaction**

400. Gross Amount Due to Seller	
401. Contract sales price	
402. Personal property	
403.	
404.	
405.	
Adjustments for items paid by seller in advance	
406. City/town taxes to	
407. County taxes to	
408. Assessments to	
409.	
410.	
411.	
412.	
420. Gross Amount Due to Seller	
500. Reductions in Amount Due to Seller	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506.	
507.	
508.	
509.	
Adjustments for items unpaid by seller	
510. City/town taxes to	
511. County taxes to	
512. Assessments to	
513.	
514.	
515.	
516.	
517.	
518.	
519.	
520. Total Reduction Amount Due Seller	0.00
600. Cash at Settlement to/from Seller	
601. Gross amount due to seller (line 420)	0.00
602. Less reductions in amount due seller (line 520)	0.00
603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	0.00

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

SUBSTITUTE FORM 1099 SELLER STATEMENT: The information contained herein is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. Contract Sales Price described on line 401 above constitutes the Gross Proceeds of this transaction.

Previous editions are obsolete



**L. Settlement Charges**

700. Total Real Estate Broker Fees				Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of commission (line 700) as follows:					
701.	\$	to			
702.	\$	to			
703. Commission paid at settlement					
<b>800. Items Payable in Connection with Loan</b>					
801.	Our origination charge	\$	(from GFE #1)		
802.	Your credit or charge (points) for the specific interest rate chosen	\$	(from GFE #2)		***
803.	Your adjusted origination charges	to	(from GFE A)		
804.	Appraisal fee	to	(from GFE #3)		
805.	Credit report	to	(from GFE #3)		
806.	Tax service	to			
807.	Flood certification	to			
808.		to			
<b>900. Items Required by Lender to be Paid in Advance</b>					
901.	Daily interest charges from	from 10/17/2008 to 11/01/2008 @ \$0.00/day	(from GFE #10)		
902.	Mortgage Ins. Premium	for months to	(from GFE #3)		
903.	Homeowner's Insurance for	for months to	(from GFE #11)		
904.		months to	(from GFE #11)		
<b>1000. Reserves Deposited with Lender</b>					
1001.	Initial deposit for your escrow account		(from GFE #8)		
1002.	Homeowner's Insurance	months @ \$ 0.00/month	\$0.00		
1003.	Mortgage Insurance	months @ \$ 0.00/month	\$0.00		
1004.	City Property Taxes	months @ \$ 0.00/month	\$0.00		
1005.	County Property Taxes	months @ \$ 0.00/month	\$0.00		
1006.	Assessments	months @ \$ 0.00/month	\$0.00		
1007.	Aggregate Adjustment		\$0.00		
<b>1100. Title Charges</b>					
1101.	Title services and lender's title insura		(from GFE #4)		
1102.	Settlement or closing fee	to \$			
1103.	Owner's title Insurance		(from GFE #5)		
1104.	Lender's title Insurance	\$			
1105.	Lender's title policy limit \$0.00				
1106.	Owner's title policy limit \$0.00				
1107.	Agent's portion of the total title insurance premium	\$			
1108.	Underwriter's portion of the total title insurance premium	\$			
1109.					
<b>1200. Government Recording and Transfer Charges</b>					
1201.	Government recording charges		(from GFE #7)		
1202.	Deed \$0.00	Mortgage \$0.00	Release \$0.00		
1203.	Transfer taxes		(from GFE #8)		
1204.	City/County tax/stamps	Deed \$0.00	Mortgage \$0.00		
1205.	State Tax/stamps	Deed \$0.00	Mortgage \$0.00		
1206.		Deed \$0.00	Mortgage \$0.00		
1207.		Deed \$0.00	Mortgage \$0.00		
<b>1300. Additional Settlement Charges</b>					
1301.	Required services that you can shop for		(from GFE #6)		
1302.	to				
1303.	to				
1304.	to				
1305.	to				
<b>1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)</b>				<b>0.00</b>	<b>0.00</b>

Comparison of Good Faith Estimate (GFE) and HUD-1 Charges		Good Faith Estimate	HUD-1
Charges That Cannot Increase	HUD-1 Line Number		
	#		
Charges That In Total Cannot Increase More Than 10%		Good Faith Estimate	HUD-1
	#		
Total Increase between GFE and HUD-1 Charges			
		or	
Charges That Can Change		Good Faith Estimate	HUD-1
	#		

#### Loan Terms

Your initial loan amount is	\$
Your loan term is	years
Your initial interest rate is	%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ Includes <input type="checkbox"/> Principal <input type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance
Can your interest rate rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of % The first change will be on / / and can change again every years after / / . Every change date, your interest rate can increase or decrease by % Over the life of the loan, your interest rate is guaranteed to never be lower than % or higher than %.
Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of \$
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, the first increase can be on / / and the monthly amount owed can rise to \$ The maximum it can ever rise to is \$
Does your loan have a prepayment penalty?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is \$
Does your loan have a balloon payment?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years on / / .
Total monthly amount owed including escrow account payments	<input checked="" type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input type="checkbox"/> You have an additional monthly escrow payment of \$ that results in a total initial monthly amount owed of \$ . This includes principal, interest, any mortgage insurance and any items checked below: <input type="checkbox"/> Property taxes <input type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/> <input type="checkbox"/>

**Note:** If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

## HUD CERTIFICATION OF BUYER AND SELLER

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Buyers

_____	_____
_____	_____

Sellers

Seller

_____	_____
_____	_____

Settlement Agent

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

SETTLEMENT AGENT

DATE

WARNING: IT IS A CRIME TO KNOWINGLY MAKE FALSE STATEMENTS TO THE UNITED STATES ON THIS OR ANY SIMILAR FORM. PENALTIES UPON CONVICTION CAN INCLUDE A FINE AND IMPRISONMENT. FOR DETAILS SEE TITLE 18: U.S. CODE SECTION 1001 AND SECTION 1010.