

Commercial Lease/Rental Agreement Quonset Studios

This agreement made this day is between Smith Properties TN (dba Quonset Studios), (hereinafter called Lessor) and _____ (herein after called Lessee). Lessor leases to Lessee, and Lessee rents from Lessor, the Property known as Studio No. _____ located at Quonset Studios, division of Smith Properties TN, under the following conditions:

1. Term

The initial term of this Lessee shall be for a period of Six **Months**, Start date: _____, 20____ / End date: _____, 20____. Lease will transfer to month-to-month at the end date above unless a longer lease is established.

2. Possession

Lessor will make every reasonable attempt to have the Property ready for occupancy by the beginning date of this lease as stated above, but if the date of delivery should vary, rent shall be calculated and charged or reduced on a daily basis beginning on the date possession is granted. Lessor shall not be liable for damages for delay in possession.

3. Rent

Rent is payable monthly, in advance, at the regular monthly rate of _____ and /100 Dollars (\$ _____) per month. The first rent payment is due on or before occupancy and for fractions of a month is calculated on a per diem basis. Thereafter, the regular monthly rent payments during the term of this agreement are due the first of each month and are to be paid by automatic monthly withdrawal via RentRedi.com payment platform.

4. Late Fee

If the rent is not paid by the fifth business day of each month, a late charge of \$10.00 per day will be charged for every day after the 5th day until the rent is paid. Any returned check will be considered as unpaid rent and subject to the above late fees.

5. Security Deposit

A security deposit equal to the regular monthly rate described above is due upon contract signing. Deposit may be applied by Lessor to satisfy all, or part of Lessee's obligations and such act shall not prevent Lessor from claiming damages more than deposit. Lessee may not apply the deposit to any of the rent payments.

6. Going Business

It is agreed that the intended use of the Property is for business enterprise and is not intended to be used as "climate-controlled storage".

7. Lawful Uses

Lessee agrees that neither the Property nor any part thereof shall be used for any purposes in violation of the laws of the United States, of the State of Tennessee, or of the ordinances and laws of the City of Memphis or Shelby County. Lessee further agrees to hold the Lessor harmless from any violation of said lease and ordinances.

8. Waste and Nuisances

The Lessee agrees not to allow any wastes to accumulate within or without the Property or allow any nuisances to exist on the Property and will, when required by the proper authorities, abate all nuisances at his own expense. Lessee agrees not to use the Property in any manner or to engage in any activities on the Property that are offensive to other tenants or to the Lessor and that failure to comply is grounds for termination of the lease as provided herein. This includes but is not limited to fume and odor-causing activities, loud events, or disruptive music.

9. Insurance

The Lessee agrees that he will not use the Property in any way nor allow anything to remain on or about the Property that may invalidate the insurance now carried on the Property. In the event the rate of insurance on the said the Property is increased for any reason due to the Lessee's occupancy, the Lessee shall pay the increased cost of the insurance at the time the bill is presented to him for same.

10. Lien on Leasehold

A first lien is hereby expressly reserved by the Lessor and granted by the Lessee upon the terms of this lease and upon all interest of the Lessee in this leasehold, and upon all buildings and improvements and fixtures erected, or that may be erected, or put into place upon the Property by or through the Lessee or occupants for the payment of rent and also for the satisfaction of any causes of action which may accrue to the Lessor by the provision of this instrument, provided, however, that this lien shall not apply to goods, wares and merchandise held by the lessee for sale to customers in the ordinary course of business. It is expressly agreed that any property left by Lessee for more than 30 days after vacating Premises shall become the property of the Lessor and may be disposed of by Lessor as Lessor chooses with the proceeds, if sold, retained by Lessor.

11. Collection Costs

Lessee agrees to pay all costs, including reasonable fees to an attorney necessary for collection of rent, including rent collected after maturity, or to force the Lessee to comply with any of the obligations, conditions, or requirements imposed by this lease.

12. Insolvency, etc., of Lessee

It is agreed that if Lessee becomes bankrupt, or makes a partial or general assignment of his business, goods, wares, or merchandise for the benefit of any creditor, or if by operation of law or any legal process this lease be transferred, assigned or sold, or the whole or any part of the Property be underlet without the written consent of the Lessor, this lease may, at the option of the Lessor, be declared null and void.

13. Waiver of Breach

The waiver by the Lessor of any breach of any covenant of the lease shall be limited to the instance and shall not be deemed to waive any future breaches of that, nor any other, covenant.

14. Default of Rent etc.

If Lessee fails to pay any of the rent when due or fails to observe any of the covenants, agreements, or requirements herein, then this Initials: Lessor _____ Lessee _____

lease may, at the option of the Lessor, be declared null and void and forfeited, and the Lessor may, without notice, lawfully enter the Property and expel the Lessee, and any persons who may be in possession of the Property. Lessor shall be entitled to receive from the Lessee the difference in rental, if any, between the within specified rental for the unexpired portion of the term and any lesser amount which Lessor, in the exercise of reasonable diligence, is able to procure for the unexpired portion of the term, each monthly difference being a separate cause of action. The right so reserved by the Lessor, and granted by the Lessee, constitutes an essential part of the consideration for the Lessor's agreement to lease the Property to the Lessee, and that right may be exercised for the violation and non-observance of any of the herein set forth undertakings by the Lessee.

15.Right to Terminate

Lessor reserves the right to terminate this lease if the building at 66 Flicker Street, is either sold or if the building must be vacated in order to implement plans for redevelopment of the building by giving Lessee 30-day notice of such intent to terminate this lease.

It is agreed that in the event the Lessor terminates this lease for any reason herein set forth that the termination shall not relieve the Lessee of any liability to the Lessor for failure to fulfill the obligations, agreements, and covenants of this lease, and that the Lessor shall at any time after the termination of this lease have the right of action against the Lessee for any breach of this contract.

16.Covenants Run to Heirs, etc

It is agreed by the parties to this contract that all covenants, agreements, and undertakings contained in this lease shall extend to and be binding on their respective heirs, executors, administrators, representatives, successors, and assigns of the respective parties hereto the same as if they were in every case named and expressed, also that the terms "Lessor" and "Lessee" shall be construed in the singular or plural number according as they respectively represent one or more persons, and, in the event the Lessor or Lessee is a corporation, the pronouns and other words referring to the Lessor or Lessee herein shall be considered as changed to the proper pronouns or words to indicate that the Lessor or Lessee is a corporation.

17.Assignments

The Lessee agrees that he will neither sell nor assign this lease or sublease the Premise or any part of the same or in any manner transfer this lease or leasehold without the written consent of the Lessor.

18.Renewal

No renewal or extension of this lease shall be binding on either party unless it is in writing and signed by the Lessor and the Lessee, except that in the absence of a renewal or extension of this lease in writing and signed by both parties, this lease will remain in force on a month-to-month basis and may be terminated by either party by 30-day written notice given to the other party.

19.Utilities

Currently all utilities are provided by Lessor at no additional charge to Lessee, however at Lessor's option and with a 30-day notice, Lessee agrees to pay a proportional share of the utility charges from Memphis Light Gas and Water based on the square footage leased as a percentage of the total space available for lease. If Lessor should elect to assess the charge for utility usage, Lessee has the right to terminate this lease and vacate the property in accord with other provisions and requirements of this lease at the end of the aforementioned 30-day notice period. Telephone service is not provided under this Lease Agreement.

20.Painting

Exterior painting is solely the responsibility of the Lessor, and interior painting within the studio is the responsibility of the Lessee. Lessee agrees to obtain permission in writing before making any changes to interior finishes; Lessor will not withhold permission for any reasonable request for changes.

21.Lessor Held Harmless

The Lessee covenants and agrees to keep and to hold the Lessor harmless from any liability for loss or damages to persons, property, or things, both real or asserted, accruing from any cause in or connected with or about the Property, or on the adjacent sidewalk area.

22.Right of Entry and Obligation to Make Repairs

The Lessor reserves the right to enter the Property at reasonable hours to show the same to others who may be interested in renting or buying the Property, or for the purpose of inspecting the Property or to make repairs or alterations as the Lessor may deem necessary for the protection and preservation of the Property.

23.Signage

Lessor grants Lessee the right to display a sign in the hall outside and next to the door entering this Studio. Lessor reserves the right to approve any signage.

24.Advertising on the Property

The Lessee agrees not to use the outside walls, roofs, or any exterior portion of the Property or other improvements that may hereafter be erected, for the purpose of displaying advertising.

25.Changes and Alterations

The Lessee agrees not to make any changes, alterations, or additions to the Property without the written consent of the Lessor, and to do nothing whatsoever that shall weaken the building or improvements that may hereafter be erected on the Property.

26.Improvements by Lessee

All leasehold improvements, additions, and repairs made to the Property shall become the Property of the Lessor at the expiration of the lease without cost to him; however, all trade fixtures installed by the Lessee shall remain the Property of the Lessee. Any damage caused by installation, use, or removal of trade fixtures shall be repaired by the Lessee at his own expense and the Property left in good condition. Any trade fixtures not removed by Lessee at the time Lessee vacates the Property shall become the permanent property of the Lessor.

27.Delivery At End of Lease

The Lessee agrees to deliver to the Lessor at the expiration of this lease the Property in the same good order and condition as when received and to make good all damages to the Property, except the usual wear due to proper use. Lessee agrees to remain liable for rent until the Property, in like good order, and keys are returned to the Lessor, and the Property is cleared of all persons and property not belonging to Lessor without demand or notice of such delivery being necessary. It is agreed, however, that the Lessee shall not be liable to restore any damage to the building caused by fire, windstorms, or any other casualty beyond his control.

Initials: Lessor _____ Lessee _____

28.Proof of Payment

No set-off in the payment of the rent shall be allowed unless signed by the Lessor, and the proof of the payment of the rent shall be on the Lessee in all controversies.

29.Credit Application and Deposit

Credit application not required. Lessee agrees to indemnify Lessor for any damages to the property of Lessor including, but not limited to, the cost of making the Property suitable for renting to another Lessee and waives any right of set-off for the security deposit and prepaid rent which was forfeited as liquidated damages.

30.Fire and Casualty or Government Action

possession of the Property. Lessor shall be entitled to receive from the Lessee the difference in rental, if any, between the within specified rental for the unexpired portion of the term and any lesser amount which Lessor, in the exercise of reasonable diligence, is able to procure for the unexpired portion of the term, each monthly difference being a separate cause of action. The right so reserved by the Lessor, and granted by the Lessee, constitutes an essential part of the consideration for the Lessor's agreement to lease the Property to the Lessee, and that right may be exercised for the violation and non-observance of any of the herein set forth undertakings by the Lessee.

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Initials: Lessor _____ Lessee _____

Quonset Studios Operating Agreement

THIS OPERATING AGREEMENT is included as an addendum to the Lease for Quonset Studios **Studio No.** [REDACTED], 66 Flicker Street, Memphis, TN 38104, dated [REDACTED], between Smith Properties TN and Lessee as named in the foregoing Lease under the following conditions:

1. Radios, Music Players, Televisions, etc.

Lessee agrees to keep the volume of any audio/video systems low enough so as not to be heard in any other studio.

2. Use of Common Areas

Lessee agrees to assist with maintenance and housekeeping of all corridors, restrooms, entry, and any other common areas by removing any trash resulting from his occupancy of the Property.

3. Use of Plumbing Fixtures.

Lessee agrees to take measures to keep all sinks and toilets clear from obstructing materials. This is especially true for use of sinks for washing art equipment. The utility sink and in-studio sinks are the only sinks to be used for cleaning art equipment.

4. Display of Materials

Lessee agrees not to place offensive signage, decorations, materials, images, messages, or such on or about the Studio. Lessee agrees not to affix any signage, materials, images, messages, or such on the surfaces of common areas within or without the Premises.

5. Studio Usage

Studios may not be used for such purposes as music practice or production, tattoo art, metalworking, woodworking, kiln work, etc. The studio is to be in active use by an artist or artisan for the purpose of creating works of art or other approved enterprises and is not to be used as a storage facility.

6. Security

The exterior door is to be always locked and the alarm is to be activated between the hours of 6:00 pm and 9:00 am Monday through Saturday and all-day Sunday. If the alarm system is on when entering the building between the hours of 9:00 am and 6:00 pm Monday through Saturday, the alarm may be turned off and left off. If the main building alarm should sound with a false alarm, immediately call Lessor, either Jared or Anna Smith at 901-290-3632, and advise of the alarm. If the alarm sounds and Lessor is not advised, the Police will be dispatched immediately to assist. The exterior door is to always remain locked; if guests are expected, instruct them to use the doorbell at the entry.

7. Guests

The premises are not to be used as retail galleries except by permission of Lessor. It is permissible for Lessee to have clients visit Lessee's studio by appointment for the purpose of conducting business, which may include purchasing of goods or services.

8. Supplies

Please advise by email (901spaces@gmail.com) or phone (901-290-3632) if restroom supplies are needed.

9. Hazards

Open flames or anything that could cause fire are not to be used, e.g., candles, torches, hot plates, sparks, metal sharpening, chemical or oil filled rags etc.

10. Thermostats

HVAC thermostats are programmed and maintained by Lessor. The program is not to be altered except by Lessor

11. Access

Lessee is to enter the building and access the studio only through the door opening onto Flicker Street.

12. Pets

Pets are not permitted.

13. Waste

Studio waste is to be placed in the garbage cart provided by the contracted waste collection service.

14. Smoking

Smoking and incense burners are not permitted in the building including the individual studios.

Lessee Date

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