

Deposit and interest to which You are entitled within sixty (60) days after this Lease ends. However, if You do not carry out all Your agreements in this Lease, Owner may keep all or part of the Security Deposit and any interest which has not yet been paid to You necessary to pay Owner for any losses incurred, including missed payments. Within fifteen (15) days of the end of each Lease year, You shall deposit with Owner, as additional security, such amount as shall be necessary so that the Security Deposit at all times equals two (2) times the then monthly Rent. The use, application or retention of any portion of the Security Deposit by Owner shall not prevent Owner from exercising any other right or remedy provided for under this Lease or at law and shall not limit any recovery to which Owner may be entitled to otherwise. In the event Owner uses any portion of the Security Deposit, then You shall be obligated, within fifteen (15) days of demand therefore, to replenish the Security Deposit so used.

If Owner sells or leases the Building, Owner will turn over the Security Deposit, with interest either to You or to the person or company buying or leasing l the Building within five (5) days after the sale or lease. Owner will then notify You, of the name and address of the person or company to whom the Security Deposit has been turned over. In such case, Owner will have no further responsibility to You for the Security Deposit. The new owner or lessee will become responsible to You for the Security Deposit.

5. IF YOU ARE UNABLE TO MOVE IN

A situation could arise which might prevent Owner from letting You move into the Apartment on the Commencement Date. If this happens for reasons beyond Owner's reasonable control, Owner will not be responsible for Your damages or expenses, and this Lease will remain in effect. However, in such case, this Lease will start on the date when You can move in, and the ending date in Article 2 will be changed to a date reflecting the full term of years set forth in Article 2 and the Commencement Date and the Termination Date shall be adjusted accordingly. You will not have to pay Rent until the move-in date Owner gives You by written notice, or the date You move in, whichever is earlier. If Owner does not give You notice that the move-in date is within thirty (30) days after the Commencement Date, You may notify Owner in writing, that Owner has fifteen (15) additional days to let You move in, or else the Lease will end. If Owner does not allow You to move in within those additional fifteen (15) days, then the Lease is ended. Any money paid by You on account of this Lease will then be refunded promptly by Owner.

6. CAPTIONS

In any dispute arising under this Lease, in the event of a conflict between the text and a caption, the text controls.

7. WARRANTY OF HABITABILITY

a) All of the sections of this Lease are subject to the provisions of the Warranty of Habitability Law in the form it may have from time to time during this Lease. Nothing in this Lease can be interpreted to mean that You have given up any of Your rights under that law. Under that law, Owner agrees that the Apartment and the Building are fit for human habitation and that there will be no conditions which will be detrimental to life, health or safety.

b) You will do nothing to interfere or make more difficult Owner's efforts to provide You and all other occupants of the Building with the required facilities and services. Any condition caused by Your misconduct or the misconduct of anyone under Your direction or control shall be a breach by You of this Lease.

8. CARE OF YOUR APARTMENT - END OF LEASE - MOVING OUT

a) You will take good care of the Apartment and will not permit or do any damage to it, ordinary wear and tear excepted. You will move out on or before the Terminate Date and leave the Apartment in good order and in the same condition as it was when You first occupied it, except for ordinary wear and tear and damage caused by fire or other casualty

b) When this Lease ends, You must remove all of Your personal property. Unless otherwise agreed to in writing by Owner, You must also remove, at Your own expense, any wall covering, bookcases, cabinets, mirrors, painted murals or any other installation or attachment You may have installed in the Apartment, even if it was done with Owner's consent. You must restore and repair to its original condition those portions of the Apartment affected by those installations and removals. You have not moved out until all persons, furniture and other items of personal property of Yours is out of the Apartment. If Your property remains in the Apartment after the Termination Date, Owner may either treat You as still in occupancy and charge You for use, or may consider that You have given up the Apartment and any property remaining in the Apartment. In this event, Owner may either discard the property or store it at Your expense. You agree to pay Owner for all costs and expenses incurred in removing such property. The provisions of this article will continue to be in effect after the end of this Lease.

9. ALTERATIONS OR IMPROVEMENTS

You cannot build in, add to, change or alter, the Apartment in any way, including wallpapering, painting, repainting, or other decorating, without getting Owner's written consent before You do anything. Without Owner's prior written consent, You cannot install or use in the Apartment any of the

following: dishwasher machines, clothes washing or drying machines, electric stoves, garbage disposal units, heating, ventilating or air conditioning units or any other electrical equipment which, in Owner's reasonable opinion, will overload the existing wiring installation in the Building or interfere with the use of such electrical wiring facilities by other tenants of the Building. Also, You cannot place in the Apartment water-filled furniture including but not limited to aquariums over ten (10) gallons capacity.

10. YOUR DUTY TO OBEY AND COMPLY WITH LAWS, REGULATIONS AND LEASE RULES

a) **Government Laws and Orders.** You, at Your cost and expense, will obey and comply (1) with all present and future city, state and federal laws, orders, rules and regulations, which affect the Building or the Apartment, and (2) with all orders and regulations of insurance rating organizations which affect the Apartment and the Building. You may not do anything which may increase Owner's insurance premiums. If You do, You must pay the increase as Additional Rent. You will not allow any windows in the Apartment to be cleaned from outside, unless the equipment and safety devices required by law are used.

b) **Owner's Rules Affecting You.** You will obey all Owners' rules listed in this Lease and all future reasonable rules of Owner or Owner's agent. Notice of all additional rules shall be delivered to You in writing or posted in the lobby or other public place in the Building. Owner shall not be responsible to You for not enforcing any rules, regulations or provisions of another tenant's lease except to the extent required by law.

c) **Your Responsibility.** You are responsible for the behavior of Yourself, of Your immediate family, Your servants, employees, contractors and people who are visiting You. You will reimburse Owner as Additional Rent for the cost of all losses, damages, fines and reasonable legal expenses, court costs and other disbursements incurred by Owner because You, members of Your immediate family, servants, employees, contractors or people visiting You have not obeyed government laws and orders or the terms, conditions or rules of this Lease.

11. OBJECTIONABLE CONDUCT

As a tenant in the Building, You will not engage in objectionable conduct. Objectionable conduct means behavior which makes or will make the Apartment or the Building less fit to live in for You or other occupants. It also means anything which You do which interferes with the right to others to properly and peacefully enjoy their apartments, or causes conditions that are dangerous, hazardous, unsanitary and detrimental to other tenants in the Building. Objectionable conduct by You gives Owner the right to end this Lease.

12. SERVICES AND FACILITIES

a) **Required Services.** Owner will provide cold water, repairs to the Apartment and common areas as required by law, and the utilities to the common areas only, as set forth in subparagraph b. You are not entitled to any Rent reduction because of a stoppage or reduction of any of the above services unless it is provided by law.

b) The following utilities are included in the Rent: cold water.

(i) **Electricity and Other Utilities.** Electricity is not included in the Rent or is not charged separately by Owner, You must arrange for this service directly with the utility company. You are prohibited from using electrical outlets in any common area of the Building for personal use You must also pay directly for telephone / internet / cable service as it is not included in the Rent.

c) **Appliances / Fixtures** supplied by Owner in the Apartment are for Your use. They will be maintained and repaired or replaced by Owner, but if repairs or replacement are made necessary because of Your negligence or misuse, You will pay Owner for the cost of such repair or replacement as Additional Rent.

d) **Storeroom / Laundry Use.** If Owner permits You to use any storeroom, laundry or any other facility located in the Building but outside of the Apartment, the use of this storeroom or facility will be furnished to You at Your own risk. You will operate at Your expense any monies operated appliances located in such storeroom or laundries.

13. INABILITY TO PROVIDE SERVICES

Your obligations under this Lease shall not be affected, impaired or excused and Owner shall not have any liability to You (except as may be otherwise provided to You by law), because Owner is unable to fulfill, or is delayed in fulfilling any of Owner's obligations under this Lease by reason of a strike, labor, trouble, national emergency, repairs, or any other cause beyond Owner's reasonable control.

14. ENTRY TO APARTMENT

During reasonable hours and with reasonable notice, except in emergencies, Owner may enter the Apartment for the following reasons:

a) To erect, use and maintain pipes and conduits in and through the walls and ceilings of the Apartment; to inspect the Apartment and to make any necessary repairs or changes Owner decides are necessary. Your Rent will not be reduced because of any of this work, unless required by Law.

- b) To show the Apartment to persons who may wish to become owners or lessees of the entire Building or may be interested in lending money to Owner;
- c) For four (4) months before the end of the Lease, to show the Apartment to persons who wish to rent it;
- d) If during the last month of the Lease, You have moved out and removed all or almost all of Your property from the Apartment, Owner may enter to make changes, repairs or redecorations. Your Rent will not be reduced for that month and this Lease will not be ended by Owner's entry.
- (e) If at any time You are not personally present to permit Owner or Owner's representative to enter the Apartment and entry is necessary or allowed by law or under this Lease, Owner or Owner's representatives may nevertheless enter the Apartment. Owner may enter by force in an emergency. Owner will not be responsible to You, unless during this entry, Owner or Owner's representative is negligent or misuses Your property.

15. ASSIGNING; SUBLETTING; ABANDONMENT

- a) **Assigning and Subletting.** You cannot assign this Lease or sublet the Apartment without Owner's advance written consent in each instance to a request made by You in the manner required by Real Property Law§226-b. Owner may refuse to consent to a lease assignment for any reason or no reason, but if Owner unreasonably refuses to consent to request for a Lease assignment properly made, at Your request in writing, Owner will end this lease effective as of thirty (30) days after Your request. The first and every other time You wish to sublet the Apartment, You must get the written consent of Owner unless Owner unreasonably withholds consent following Your request to sublet in the manner provided by Real Property Law§226-b. Owner may impose a reasonable credit check fee on You in connection with an application to assign or sublet. If You fail to pay Rent Owner may collect Rent from subtenant or occupant without releasing You from the Lease. Owner will credit the amount collected against the Rent due from You. However, Owner's acceptance of such Rent does not change the status of the subtenant or occupant to that of direct tenant of Owner and does not release You from this Lease.
- b) **Abandonment.** If You move out of the Apartment (abandonment) before the end of this Lease without the consent of Owner, this Lease will not be ended (except as provided by law following Owner's unreasonable refusal to consent to an assignment or subletting requested by You.) You will remain responsible for each monthly payment of Rent as it becomes due until the end of this Lease. In case of abandonment, Your responsibility for Rent will end only if Owner chooses to end this Lease for default as provided in Article 16.

16. DEFAULT

- a) You default under the Lease if You act in any of the following ways:
 - i) You fail to pay Rent or Additional Rent when due;
 - ii) You fail to carry out any other agreement or provision of this Lease;
 - iii) You or another occupant of the Apartment behaves in an objectionable manner;
 - iv) You do not take possession or move into the Apartment fifteen (15) days after the beginning of this Lease;
 - iv) You and other legal occupants of the Apartment move out permanently before this Lease ends;
 - v) You improperly assign the Lease, or sublet all or any portion of the Apartment or allow another to use the Apartment.

If You do default in any one of these ways, other than a default in the agreement to pay Rent, Owner may serve You with a written notice to stop or correct the specified default within ten (10) days. You must then either stop or correct the default within ten (10) days, or, if You need more than ten (10) days, You must begin to correct the default within ten (10) days and continue to do all that is necessary to correct the default as soon as possible.

b) Other than a default in the Agreement to pay Rent, if You do not stop or begin to correct a default within ten (10) days or You do not continue thereafter to do all that is necessary to correct the default as soon as possible, Owner may give You a second written notice that this Lease will end six (6) days after the date the second written notice is sent to You. At the end of the six (6) day period, this Lease will end and You must move out of the Apartment. Even though this Lease ends, You will remain liable to Owner for unpaid Rent up to the end of this Lease, the value of Your occupancy, if any, after the Lease ends, and damages caused to Owner after that time as stated in Article 18.

c) If You do not pay Your Rent or Additional Rent when this Lease requires after a personal demand for Rent has been made, or within three (3) days after a statutory written demand for Rent has been made, or if the Lease ends, Owner may do the following:

- i) enter the Apartment and retake possession of it if You have moved out; or

ii) go to court and ask that You and all other occupants in the Apartment be compelled to move out.

Once this Lease has been ended, whether because of default or otherwise, You give up any right You might otherwise have to reinstate or renew the Lease.

17. REMEDIES OF OWNER AND YOUR LIABILITY

If this Lease is ended by Owner because of Your default, the following are the rights and obligations of You and Owner.

a) You must pay Your Rent until this Lease has ended. Thereafter, You must pay an equal amount for what the law calls “use and occupancy” until You actually move out.

b) Once You are out, Owner may re-rent the Apartment or any portion of it for a period of time which may end before or after the ending date of this Lease. Owner may re-rent to a new tenant at a lesser rent or may charge a higher rent than the Rent in this Lease.

c) Whether the Apartment is re-rented or not, You must pay to Owner as damages:

i) The difference between the Rent in this Lease and the amount, if any, of the rents collected in any later lease or leases of the Apartment for what would have been the remaining period of the Lease, and

ii) Owner’s expenses for advertisements, broker’s fees and the cost of putting the Apartment in good condition for re-rental; and Owner’s expenses for attorney’s fees.

d) You shall pay all damages due in monthly installments on the date You are required to pay Rent day established in this Lease. Any legal action brought to collect one or more monthly installments of damages shall not prejudice in any way Owner’s right to collect the damages for a later month by a similar action.

e) If the rent collected by Owner from a subsequent tenant of the Apartment is more than the unpaid Rent and damages which You owe Owner, You cannot receive the difference. Owner’s failure to re-rent to another tenant will not release or change Your liability for damages, unless the failure is due to Owner’s deliberate inaction.

18. ADDITIONAL OWNER REMEDIES

If You do not do everything You have agreed to do, or if You do anything which shows that You do not intend to do what You have agreed to do, Owner has the right to ask a Court to make You carry out Your agreement or to give the Owner such other relief as the Court can provide. This is in addition to the remedies in Article 16 and 17 of this Lease.

19. FEES AND EXPENSES

a) Owner’s Right. You must reimburse Owner as Additional Rent for any of the following fees and expenses incurred by Owner:

i) Making any repairs to the Apartment or the Building which result from misuse or negligence by You or persons who live with You, visit You, or work for You;

ii) Repairing or replacing property damaged by Your misuse or negligence;

iii) Correcting any violations of city, state or federal laws or orders and regulations of insurance rating organizations concerning the Apartment or the Building which You or persons who live with You, visit You, or work for You have caused;

iv) Correcting a default by You of any of Your obligations under this Lease, which Owner may, but is not obligated to, do;

v) Preparing the Apartment for the next tenant if You move out of Your Apartment before the Lease ending date;

vi) Any legal fees and disbursements for legal actions or proceedings brought by Owner against You because of a Lease default by You or for defending lawsuits brought against Owner because of Your actions;

vii) Removing all of Your property after this Lease is ended;

viii) All other fees and expenses incurred by Owner because of Your failure to obey any other provisions and agreements of this Lease;

These fees and expenses shall be paid by You to Owner as Additional Rent. If this Lease has ended when these fees and expenses are incurred, You will still be liable to Owner for the same amount as damages despite the fact that this Lease has ended.

b) Tenant's Right. Owner agrees unless sub-paragraph 6 of this Article 19 has been stricken out of this Lease You have the right to collect reasonable legal fees and expenses incurred in a successful defense by You of a lawsuit brought by Owner against You or brought by You against Owner to the extent provided by Real Property Law, section 234.

20. PROPERTY LOSS, DAMAGES OR INCONVENIENCES

Unless caused by the negligence or willful misconduct of Owner or Owner's agents or employees, Owner or Owner's agents and employees are not responsible to You for any of the following (1) any loss of or damage to You or Your property in the Apartment or the Building due to any accidental or intentional cause, even a theft or another crime committed in the Apartment or elsewhere in the Building; (2) any loss or damage to Your property delivered to any employee of the Building (i.e., doorman, superintendent, etc.); or (3) any damage or inconvenience caused by You by actions, negligence or violations of a Lease by any other tenant or person in the Building except to the extent required by law.

Owner will not be liable for any temporary interference with light, ventilation, or view caused by construction by or in behalf of Owner. Owner will not be liable for any such interference on a permanent basis caused by construction on any parcel of land not owned by Owner. Also, Owner will not be liable to You for such interference caused by the permanent closing, darkening or blocking up of windows, if such action is required by law. None of the foregoing events will cause a suspension or reduction of the Rent or allow You to cancel the Lease.

21. FIRE OR CASUALTY

a) If the Apartment becomes unusable; in part or totally, because of fire, accident or other casualty, this Lease will continue unless ended by Owner under (c) below or by You under (d) below, but the Rent will be reduced immediately. This reduction will be based upon the part of the Apartment which is unusable.

b) Owner will repair and restore the Apartment, unless Owner decides to take actions described in paragraph (c) below.

c) After a fire, accident or other casualty in the Building, Owner may decide to tear down the Building or to substantially rebuild it. In such case, Owner need not restore the Apartment, but may end this Lease. Owner may do this even if the Apartment has not been damaged, by giving You written notice of this decision within thirty (30) days after the date when the damage occurred. If the Apartment is usable when Owner gives You such notice, this Lease will end sixty (60) days from the last day of the calendar month in which You were given the notice.

d) If the Apartment is completely unusable because of fire, accident or other casualty and it is not repaired in thirty (30) days, You may give Owner written notice that You end the Lease. If You give that notice, this Lease is considered ended on the day that the fire, accident or casualty occurred. Owner will refund the Security Deposit and the pro-rata portion of Rent paid for the month in which the casualty happened.

e) Unless prohibited by the applicable insurance policies, to the extent that such insurance is collected, You and Owner release and waive all right of recovery against the other or anyone claiming through or under each applicable policy by way of subrogation.

22. PUBLIC TAKING

If the entire Building is acquired (condemned) by any government or government agency for a public or quasi-public use or purpose, then, this Lease shall end on the date the government or agency take title. If any part of the Apartment or the Building is taken, Owner may cancel this Lease on notice to Tenant setting forth a cancellation date not less than thirty (30) days from the date of the notice. If the Lease is cancelled, You must deliver the Apartment to Owner on the cancellation date together with all Rent due to that date. You shall have no claim against Owner for any damage resulting; You also agree that by signing this Lease, You assign to Owner any claim against the Government or Government agency for the value of the unexpired portion of this Lease.

23. SUBORDINATION CERTIFICATE AND ACKNOWLEDGMENTS

All leases and mortgages of the Building or of the land on which the Building is located, now in effect or made after this Lease is signed, come ahead of this Lease. In other words, this Lease is "subject and subordinate to" any existing or future lease or mortgage on the Building or land, including any renewals, consolidations, modifications and replacements of these leases or mortgages. If certain provisions of any of these leases or mortgages come into effect, the holder of such lease or mortgage can end this lease. If this happens, You agree that You have no claim against Owner or such lease or mortgage holder. The provisions hereof are self-operating and no further instrument indicating the subordination of Your Lease is required. However, if Owner requests, You will sign promptly an acknowledgement of the "subordination" in the form that Owner requires. You also agree to sign (if accurate) a written acknowledgement (known as an estoppel certificate) to any third party designated by Owner that:

- a) This Lease is in full force and effect,
- b) You have paid all Rent and Additional Rent under the Lease,

- c) No Rent, Additional Rent or other charges of any nature have been paid more than thirty (30) days in advance,
- d) Owner is performing Owner's obligations under this Lease, and
- e) You have no present claim against Owner.

24. TENANT'S RIGHT TO LIVE IN AND USE THE APARTMENT

If You pay the Rent and any required Additional Rent on time and You do everything You have agreed to do in this Lease, Your tenancy cannot be cut off before the ending date, except as provided for in Article 21, 22, and 23

25. BILLS AND NOTICE

All notices, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been properly given if delivered personally or sent by certified mail, return receipt requested, postage prepaid, or by overnight delivery service, if to Owner, to 40 Lawrence Avenue, Bedford Hills, New York 10507, with a copy to Shapiro Gettinger Waldinger & Monteleone, LLP, 118 North Bedford Road, Mount Kisco, New York 10549, Attention: John H. Gettinger, Esq. and if to You, to the Apartment or to such other address as either party may designate by notice given in the manner specified in this Paragraph. All notices, demands and communications shall be deemed effective on the date personally delivered, or three (3) days after deposited in the United States mails as certified mail, or one day after deposited with an overnight delivery service, as the case may be.

26. GIVING UP RIGHT TO TRIAL BY JURY AND COUNTERCLAIM

- a) Both You and Owner agree to give up the right to a trial by jury in a court action, proceeding or counterclaim on any matters concerning this Lease, the relationship of You and Owner as Tenant and Landlord or Your use or occupancy of the Apartment. This agreement to give up the right to a jury trial does not include claims for personal injury or property damage.
- b) If Owner begins any court action or proceeding against You which asks that You be compelled to move out, You cannot make a counterclaim unless You are claiming that Owner has not done what Owner is supposed to do about the condition of the Apartment or the Building.

27. NO WAIVER OF LEASE PROVISION

- a) Even if Owner accepts Your Rent or fails once or more often to take action against You when You have not done what You have agreed to do in this Lease, the failure of Owner to take action or Owner's acceptance of Rent does not prevent Owner from taking action at a later date if You again do not do what You have agreed to do.
- b) Only a written agreement between You and Owner can waive any violation of this Lease.
- c) If You pay and Owner accepts an amount less than all the Rent due, the amount received shall be considered to be in payment of all or a part of the earliest Rent due. It will not be considered an agreement by Owner to accept this lesser amount in full satisfaction of all of the Rent due.
- d) Any agreement to end this Lease and also to end the rights and obligations of You and Owner must be in writing, signed by You and Owner or Owner's agent. Even if You give keys to the Apartment and they are accepted by any employee or agent, or Owner, this Lease is not ended.

28. CONDITION OF THE APARTMENT

When You signed this Lease, You did not rely on anything said by Owner, Owner's agent or superintendent about the physical condition of the Apartment, the Building or the land on which it is built. You did not rely on any promises as to what would be done, unless what was said or promised is written in this Lease and signed by both You and Owner or found in Owner's floor plans or brochure shown to You before You signed the Lease. Before signing this Lease, You have inspected the Apartment and You accept it in its present condition "as is", except for any condition which You could not reasonably have seen during Your inspection. You agree that Owner has not promised to do any work in the Apartment except as specified in attached "Work" rider.

29. DEFINITIONS

- a) Owner: The term "Owner" means the person or organization receiving or entitled to receive Rent from You for the Apartment at any particular time other than a rent collector or managing agent of Owner. "Owner" includes the owner of the land or Building, a lessor, or sublessor of the land or Building and mortgagee in possession. It does not include a former owner, even if the former owner signed this Lease.

b) You: The Term "You" means the person or persons signing this Lease as Tenant and the successors and assigns of the signer. This Lease has established a tenant-landlord relationship between You and Owner.

30. SUCCESSOR INTERESTS

The agreements in this Lease shall be binding on Owner and You and on those who succeed to the interest of Owner or You by law, by approved assignment or by transfer.

31. BANKRUPTCY

If You assign property for the benefit of creditors, You file a voluntary petition or an involuntary petition is filed against You under any bankruptcy or insolvency law, or A trustee or receiver of You or Your property is appointed, Owner may give You thirty (30) days' notice of cancellation of the Term of this Lease.

If any of the above is not fully dismissed within the thirty (30) days, the Term shall end as of the date started in the notice. You must continue to pay Rent, Additional Rent, damages, losses and expenses without offset.

32. INDEMNITY

You shall defend, indemnify and hold Owner harmless from and against any and all demands, claims, causes of actions, fines, penalties, damages, losses, liabilities, judgments and expenses, including reasonable attorney's fees, court costs and other disbursements, incurred in connection with or arising out of (i) any accident occurring in or about the Apartment resulting in claims for damages or injuries to property and/or for personal injury or death; (ii) the use or occupancy of the Apartment by You; (iii) any acts, omissions or negligence of You or any contractors, agents, servants, employees, invitees, visitors or guests of Yours; and (iv) any breach, non-performance or violation by You of any material, covenant or provision of this Lease or of any law, action or proceeding which is brought against Owner by reason of any such claim.

33. RENTERS INSURANCE

You shall, at Your sole cost and expense, purchase and maintain during the term of this Lease so-called "Renters Insurance" covering all risks of loss to Your, contents, furniture, fixtures and other articles of personal property and providing liability insurance in an amount of not less than five hundred thousand (\$500,000) dollars. Such insurance shall name Owner as an additional insured and shall provide that it may not be terminated or amended except after fifteen (15) days prior written notice to Owner. Prior to the Commencement Date and within thirty (30) days of the expiration date of any such insurance, You shall provide Owner with a certificate of insurance reflecting such coverage, together with proof of payment in full of the premium therefor. You hereby release Owner and waive all right to recovery against Owner or anyone claiming through or under such Renter's Insurance policy by way of subrogation.

34. MECHANIC'S LIEN

You hereby indemnify and holds harmless Owner of and from any and all claims, actions, debts and expenses whatsoever arising from work done or material furnished at the request of You, by any contractor, subcontractor, laborer, materialman, supplier or other person arising out of the installation or removal of any fixture or the making or removal of any decoration, improvement, addition or alteration. If a lien is filed against the Building for any reason as a result of a repair, alteration, improvement or addition made by You, then You shall immediately pay or bond the amount of such lien. Owner may pay or bond the lien if Tenant fails to do so within twenty (20) days after Your notice of the lien, and Owner's cost in connection therewith shall be paid by You, upon demand, as Additional Rent.

35. ILLEGALITY

If any term or provision of this Lease, or its application to any situation shall be invalid or unenforceable to any extent, then the remainder of this Lease or the application thereof to situations other than that as to which it is invalid or unenforceable, shall not be affected thereby, and every provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

36. ENTIRE AGREEMENT

This Lease represents the entire understanding of the parties with respect to the Lease by You from Owner of the Apartment. All prior understandings and agreements between the parties are merged herein. This Lease may not be modified in any respect except by a writing signed by both parties hereto.

37. APPLICABLE LAW

This Lease has been made under and shall be governed by, and construed under, the laws of the State of New York applicable to contracts made and to be performed in such state. The parties hereby submit to the jurisdiction of the New York courts for the resolution of any dispute arising directly or indirectly from this Agreement.

38. COUNTERPARTS

This Lease may be executed in counterparts, each of which shall be deemed to be an original, but which together shall constitute one original Lease. Signatures sent via facsimile, electronic mail or by other form of electronic means shall be deemed originals for all purposes.

Owners Rules - a part of this lease - see page 5/6

Lease

As written and approved, The Real Estate Board of New York, Inc.

ATTACHED RULES WHICH ARE A PART OF THE LEASE AS PROVIDED BY ARTICLE 10 for Lawrence Terrace Apartments LLC

Public Access Ways

1. (a) Tenants shall not block or leave anything in or on fire escapes, the sidewalks, entrances, elevators, stairways, or halls. Public access ways shall be used only for entering and leaving the Apartment and the Building. Only those elevators and passageways designated by Owner can be used for deliveries.
(b) Baby carriages, bicycles or other property of Tenants shall not be allowed to stand in the halls, passageways, public areas or courts of the Building.

Bathroom and Plumbing Fixtures

2. The bathrooms, toilets and wash closets and plumbing fixtures shall only be used for the purposes for which they were designed or built; sweepings, rubbish bags, acids or other substances shall not be placed in them.

Refuse

3. Carpets, rugs or other articles shall not be hung or shaken out of any window of the Building. Tenants shall not sweep or throw or permit to be swept or thrown any dirt, garbage or other substances out of the windows or into any of the halls, elevators or elevator shafts. Tenants shall not place any articles outside of the Apartments or outside of the building except in safe containers and only at places chose by Owner.

Laundry

4. Laundry and drying apparatus, if any, shall be used by Tenants in the manner intended and at the time stated herein. Not before 8:00 AM and after 10:00 PM

Keys and Locks

5. Owner may retain a pass key to the Apartment. Tenants may install on the entrance of the Apartment an additional lock of not more than three inches in circumference. Tenants may also install a lock on any window but only in the manner provided by law. Immediately upon making any installation of either type, Tenants shall notify Owner or Owner's agent and shall give Owner or Owner's agent a duplicate key. If changes are made to the locks or mechanism installed by Tenants, Tenants must deliver keys to Owner. At the end of this Lease, Tenants must return to Owner all keys either furnished or otherwise obtained. If Tenants lose or fail to return any keys which were furnished to them, Tenants shall pay to Owner the cost of replacing them.

Noise

6. Tenants, their families, guests, employees, or visitors shall not make or permit any disturbing noises in the Apartment or Building or permit anything to be done that will interfere with the rights, comforts or convenience of other tenants. Also, Tenants shall not play a musical instrument or operate or allow to be operated a phonograph, CD player, radio or television set so as to disturb or annoy any other occupant of the Building.

No Projections

7. An aerial may not be erected on the roof or outside wall of the Building without the written consent of Owner. Also, awnings or other projections shall not be attached to the outside walls of the Building or to any balcony or terrace.

No Pets

8. Dogs or animals of any kind shall not be kept or harbored in the Apartment, unless in each instance it is expressly permitted in writing by Owner. This consent, if given, can be taken back by Owner at any time for good cause on reasonably given notice. Also, dogs are not permitted on any grass or garden plot under any condition. BECAUSE OF THE HEALTH HAZARD AND POSSIBLE DISTURBANCE OF OTHER TENANTS WHICH ARISE FROM THE UNCONTROLLED PRESENCE OF ANIMALS, ESPECIALLY DOGS, IN THE BUILDING, THE STRICT ADHERENCE TO THE PROVISIONS OF THIS RULE BY EACH TENANT IS A MATERIAL REQUIREMENT OF EACH LEASE. TENANTS' FAILURE TO OBEY THIS RULE SHALL BE CONSIDERED A SERIOUS VIOLATION OF AN IMPORTANT OBLIGATION BY TENANT UNDER THIS LEASE. OWNER MAY ELECT TO END THIS LEASE BASED UPON THIS VIOLATION.

One house cat may be kept within the confines of Your domicile when this provision is approved by Lawrence Terrace Apt management.

LT Initial _____ Tenant Initial _____

Moving

9. Tenants can move furniture and possessions only on designated days and hours. Owner shall not be liable for any costs, expenses or damages incurred by Tenants in moving.

Floors

10. Apartment floors shall be covered with rugs or carpeting at least 80% of the floor area of each room excepting kitchens, pantries, bathrooms and hallways. The tacking strip for wall-to-wall carpeting will be glued, not nailed to the floor.

11. Tenants shall cause no harm to the interior or exterior of such buildings or lands adjacent to the building which includes such plants, shrubs, trees, and grasses. Any expense incurred by Landlord as a result of such violation will be assessed against the tenant responsible and payable immediately upon receipt of said damage bill.

12. Supplies, market goods and packages of any kind are to be delivered at the entrance provided therefore, and the Landlord will not be responsible for the loss or damage of any such property, notwithstanding such loss or damage that may occur through the carelessness or negligence of the employees of the buildings.

13. The following materials **must not** be stored in the basements: mattresses, charcoal lighter fluid, paint thinner or other flammable fluids, empty boxes, loose paper or plastic or any other loose material. Materials to be stored, such as draperies and all other similar articles should be placed in boxes for storage. Above items found stored in violation will be removed from such storage area by an employee of the Landlord at the tenant's expense. Storage will be at Your own risk and Landlord will not be held responsible for any loss or damage.

14. No baby carriages, bicycles, wagons, shopping carts or similar articles, toys, playthings or any personal property of any tenant or his/her family, friends, guests or servants, shall be placed in or permitted to stand or remain in the halls or stairways of the buildings; neither shall such articles be placed or remain unattended in any other place on the premises or grounds.

15. Children shall not play in or on the public halls, stairways, basements, walks, landscaped areas or parking lots.

16. Smoking will not be allowed in the common areas such as hallways, basements, laundry rooms of any building. Please observe a 50 ft. distance from any common entrance way as a "NO SMOKING" area. In addition cigarette and/or cigar remnants must be disposed of properly and not left on the grounds of such property. Anyone found in violation will have a Twenty-Five Dollar \$25.00 fine imposed per incident.

17. No tenant or visitor of any tenant shall loiter in or about the entrance halls, stairways or basements of the buildings at any time.

18. Tenants shall complete and sign the "Occupancy Statement" informing the Landlord of who shall be in residence at the time of signing this lease. Any changes must be approved by Lawrence Terrace Management in writing.

Occupancy

19. Each Apartment shall not house more residents than to which the unit was intended.

Examples:

A; 1 Bedroom: No more than two adults and one minor child.

B; 2 Bedroom: No more than two adults and two minor children.

20. The Tenant will not apply nor permit other persons to apply any wall covering or any paint to any wall or ceiling of the premises without the prior written consent of the Landlord. The same applies to floor covering other than removable carpeting.

21. The outdoor water spigots are for the exclusive use of Lawrence Terrace Apartments LLC. They are NOT to be used for private or personal use.

22. Air conditioning sleeves are provided for the use of your air conditioning units. These units shall be the correct unit for the purpose intended. Window units are un-acceptable. Please check with Landlord as to what would be acceptable prior to installation.

23. Tenants will have no more than two (2) vehicles per unit. Each unit will have one parking space based on the number of bedrooms. A fee of \$75.00 will be charged per additional vehicle per month. Please utilize "Visitor Parking" spaces for your guests.

TO CONFIRM OUR AGREEMENTS, OWNER AND YOU RESPECTIVELY SIGN THIS LEASE AS OF THE DAY AND YEAR FIRST WRITTEN ON PAGE 1.

Witnesses

_____ [L.S.]
Owner's Signature

_____ [L.S.]
Tenant's Signature

_____ [L.S.]
Tenant's Signature

GUARANTY

The undersigned Guarantor guarantees to Owner the strict performance of and observance by Tenant of all the agreements, provisions and rules in the attached Lease. Guarantor agrees to waive all notices when Tenant is not paying rent or observing and complying with all of the provisions of the attached Lease. Guarantor agrees to be equally liable with Tenant so that Owner may sue Guarantor directly without first suing Tenant. The Guarantor further agrees that his guaranty shall remain in full effect even if the Lease is renewed, changed or extended in any way and even if Owner has to make a claim against Guarantor. Owner and Guarantor agree to waive trial by jury in any action, proceeding or counterclaim brought against the other on any matters concerning the attached Lease or the Guaranty.

Dated, _____

Witness

Guarantor