

**THE VIRGINIA HIGHLANDS SMALL BUSINESS INCUBATOR  
LEASE AGREEMENT**

This Lease Agreement (“Lease”) made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, between the VIRGINIA HIGHLANDS SMALL BUSINESS INCUBATOR, a Virginia non-profit corporation, (“Landlord”), and \_\_\_\_\_ (“Tenant”).

1. **Leased Premises.** The Landlord in consideration of the rent and the covenants to be kept and performed by both parties, hereby leases to Tenant the space identified as consisting of approximately \_\_\_\_\_ square feet (the “Premises”), situated in the Town of Abingdon, Washington County, Virginia, in the building known as The Virginia Highlands Small Business Incubator (the “Property”). The Tenant has inspected the Premises and has agreed to accept them in “as is” condition. The Premises are more particularly described in Exhibit “A” attached hereto.

2. **Use of Premises.** The Premises shall be used for and confined to the following operations and purposes: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

The Tenant must obtain prior written approval of the Landlord for any alternate use. Tenant shall not occupy or use the Premises, or permit any portion of the Premises to be occupied or used, for any business or purpose that is unlawful or deemed to be extra-hazardous on account of fire, or permit anything to be done that would in any way increase the rate of fire or liability or any other insurance coverage on the Building and/or its contents, cause the load upon any floor of the Building to exceed the load for which the floor was designed or the amount permitted by law, or use electrical energy exceeding the capacity of the then existing feeders or wiring installations. Tenant shall comply with all applicable laws, ordinances, rules and regulations relating to the use, condition or occupancy of the Leased Premises.

Tenant shall further conduct its business and control its agents, employees, invitees, and visitors in such a manner as not to create any nuisance, or interfere with, annoy or disturb any owner or tenant of adjacent property.

3. **Term.** The term of this Lease shall be for a period of one (1) year commencing on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (“Original Term”). Subject to the terms and conditions set forth herein, this Lease shall automatically renew for two additional one (1) year periods unless terminated as provided herein. Solely at the discretion of the Landlord, this Lease may be extended beyond three years. Should this Lease be renewed for a period extending over the Original Term, or any renewal term, the Landlord reserves the right to relocate Tenant to a comparable office if needed at the Landlord’s expense. Notwithstanding the foregoing, the Landlord or Tenant may terminate this Lease upon the expiration of the Original Term, or any renewal term, by providing the other party with written notice of termination not less than thirty (30) days prior to expiration of the current term, or within such shorter period as provided for herein. This Lease may also be cancelled, terminated or modified in accordance with Section 17. below.

4. **Rent.**

A. For the Premises and the Original Term set forth above, the Tenant agrees to pay the Landlord the annual amount of \$\_\_\_\_\_ at the rate of \$\_\_\_\_\_ per month, payable in advance on the first day of each calendar month. In the event that possession is taken on a date other than the first day of the month, the rent shall be prorated for the period between the date of possession and the first day of the next calendar month. The rent shall be increased during each renewal term in the proportion that the cost of living figure last published just prior to the commencement of the one (1) year renewal term bears to the cost of living figure last published just prior to the preceding one (1) year term, or by increasing the rent by 4.5%, whichever is more. Rent increases may be waived for purposes as the Landlord, in its sole discretion, determines is appropriate.

For purposes of this Section 4, the cost of living referred to herein shall be determined in accordance with the changes in the “Consumer Price Index For All Urban Consumers, U. S. City Average, All Items (1967 = 100).” or comparable publication, published by the Bureau of Labor Statistics, United States Department of Labor. In the event that the Bureau of Labor Statistics shall change the base period (in existence at date hereof), the new index numbers shall be

substituted for the old index numbers in making the above computation. Should the publication of the "Consumer Price Index" be discontinued by the Bureau of Labor Statistics and no other index is substituted herefor, the matter shall be submitted to arbitration in accordance with the rules of the American Arbitration Association to determine what shall be substituted in place of the foregoing index. If submitted to arbitration as provided herein, the arbitration decision shall be binding on the parties hereto. If another index shall be substituted for the aforesaid index by the United States Government, the said substitute shall be utilized in determining rental with an appropriate adjustment to be made in the event the base years shall be different from the base years in the "Consumer Price Index."

B. Fees for any services provided by the Landlord to the Tenant, as agreed upon by the parties in the Letter of Commitment, attached hereto as Exhibit "B", and any other monies due to the Landlord under this Lease, shall be invoiced to the Tenant on the first business day of each month and shall be payable within five (5) days thereafter.

C. Any rental payment or fees for services or other monies not paid by the due date, including any grace period hereunder, shall be considered late. If any payment is not made on the due date, a five percent (5%) late charge will immediately be assessed upon the amount of the delinquent rent, fees or monies and the failure of the Tenant to promptly pay the same will constitute an event of default and shall entitle the Landlord to terminate this Lease as provided in Section 18. In the event that it becomes necessary for the Landlord to initiate legal proceedings to collect any of the rents or fees payable under this Lease, the Tenant will pay all reasonable and necessary expenses incurred by the Landlord in such legal proceedings, including reasonable attorney's fees.

D. In no event will the landlord accept any ownership interest in the Tenant or other business entity, nor take an ownership interest in any property, whether real, personal or intellectual, in lieu of rent.

5. **Place of Payment.** Any payment due from the Tenant to the Landlord shall be made to: VIRGINIA HIGHLANDS SMALL BUSINESS INCUBATOR, 851 French Moore, Jr Blvd., Abingdon, VA 24210, or at such other place as the Landlord may designate in writing.

6. **Security Deposit.** The Landlord acknowledges the receipt of \$\_\_\_\_\_ as a Security Deposit for the faithful performance by the Tenant of its obligations under this Lease. No interest shall be paid on the Security Deposit. The Security Deposit shall be used for payment of any damages to the Premises, exclusive of normal wear and tear, which occur during the term of this Lease. The balance of the Security Deposit, if any, will be returned to the Tenant at the mailing address provided by the Tenant within thirty (30) days of the termination of the Lease.

7. **Common Areas.** The Tenant shall have access to the restrooms, shower, kitchen, hallways, dock areas and conference/training rooms and such other areas as may be designated common areas on the Premises on a shared basis under the rules and regulations of the Landlord, which rules and regulations may be amended at the Landlord's sole discretion from time to time. Tenant shall comply with all such rules and regulations as published, revised and promulgated from time to time.

8. **Alterations and Additions.** The Tenant shall make no alterations or improvements to the wall or other portions of the Premises, including but not limited to, the construction of additional walls or the moving of walls, during the term of this Lease without first obtaining the written consent of the Landlord. Unless the Landlord shall otherwise agree, Tenant shall be solely responsible for all costs and expenses for all such alterations and improvements. In addition, Landlord shall have the right, in its sole discretion, to require the Tenant to fund an interest bearing escrow account to be used to reinstate and/or restore the Premises upon termination of this Lease. Any funds not used for such purpose shall be refunded to Tenant within a reasonable time after termination of the Lease; subject, however, to any other rights of Landlord in or to such funds provided by law. Tenant may use Landlord's or its own contractors and subcontractors to perform the work requested provided all such workmen have been approved in advance by Landlord. The parties hereto agree that Landlord shall have complete control over all aspects of such alterations and improvements. Tenant shall indemnify and hold Landlord harmless for any claim or damages arising in connection with or related to such alterations and improvements as provided in Section 13. Any alterations or improvements made by the Tenant, or on behalf of Tenant, shall become the property of the Landlord at the termination of the Lease without cost to the Landlord unless the Landlord in its sole discretion

directs the Tenant to remove such alterations and improvements from the Premises, in which event the Tenant shall remove such alterations, improvements and additions and restore the Premises to the same order and condition in which it was at the commencement of this Lease at the Tenant's sole cost and expense. Should the Tenant fail to do so the Landlord may do so and collect, at its option, all costs and expenses thereof in excess of any funds escrowed for such purpose as additional rent. The Tenant shall pay all sums due and payable as a result of all alterations made to the Premises within ten (10) days from the date of a notice of bill for the same from the Landlord.

9. **Taxes and Utilities.** The Landlord will pay for all charges assessed against the Premises during the term of this Lease for real estate taxes, water, heat, and electricity. In the event that the Tenant installs any equipment resulting in a significant increase in the demand for power or cooling, the Tenant shall pay the additional cost of such power and cooling as an additional monthly rental payment to be determined by the Landlord. The Landlord has made arrangements for a uniform rate structure for each tenant on the Property with a communications and data provider (the word "communications" and the word "data" as used in this Lease shall include any and all telephonic or electronic transmissions from one place to another of written materials or oral communications and/or transmission of data). The Tenant shall be responsible for paying directly to the service provider, when due, such phone and data line installation charges and monthly service charges as well as the actual costs of all calls. In the event that the Tenant elects to move from the Premises to other premises within the Property, the Tenant acknowledges that it will be liable for the foregoing installation charge for each and every such move.

10. **Moveable Furniture and Equipment.**

A. All moveable furniture and equipment installed by the Tenant shall be removed at the expiration or earlier termination of this Lease provided the Tenant shall not at such time be in default under any covenant or agreement contained in this Lease; and provided that in the event of such removal, the Tenant shall repair any and all damages incurred to the

Premises and/or Property caused by removal and promptly restore the Premises and/or Property to its original order and condition.

B. Any such furniture or equipment not removed at or prior to termination shall be and become the property of the Landlord at termination.

C. The Tenant shall not install any furniture or equipment on the Premises or make any alterations to the Premises which may require any change in heating, air conditioning, electrical, water or sewer systems without the prior written approval of the Landlord.

11. **Maintenance and Repairs.** The Landlord shall keep in good repair the common areas, roof, exterior walls but not dividing walls inside the Premises, all electrical, heating, cooling and plumbing systems, gutters, downspouts and exterior painting. In addition, the Landlord will maintain the grounds of the Property including snow removal and grass cutting. However, the Landlord shall not be liable (and shall assess the costs thereof to the Tenant) when any repair is made necessary by the negligent or willful acts or omission of the Tenant, its agents, invitees or employees, reasonable wear and tear excepted. The Tenant will, at its own expense, keep the Premises in good repair for the term of this Lease and at the expiration of the Lease, deliver the Premises to the Landlord in like condition as when taken, reasonable wear and tear excepted. Each day that the Tenant occupies the Premises it shall maintain the Premises in a clean, sanitary, neat and attractive condition. The Premises may contain a thermostat that regulates the heating and cooling systems in the Property. The Landlord shall determine the proper settings for the thermostats and the Tenant shall not change the settings without the prior written approval of the Landlord. The Landlord shall have access to the thermostat (if any) on a regular basis, daily if necessary, to ensure that the thermostat is being maintained at the designated settings.

12. **Signs.** The Tenant shall obtain the written approval of the Landlord prior to displaying any sign on the interior of the Premises. Any such sign must be of the size, color and style as the Landlord shall approve. No exterior signage shall be allowed.

13. **Indemnification and Insurance.** Tenant shall indemnify and hold Landlord harmless from and against all costs, damages, claims, liabilities and expenses (including

attorney's fees) suffered by or claimed against Landlord, directly or indirectly, based on, arising out of or resulting from (a) use and occupancy of the Leased Premises, (b) repair or maintenance of the Leased Premises which are the obligations of Tenant, (c) any act or omission by Tenant or Tenant's employees, agents, assignees, subtenants, contractors, licensees or invitees, or (d) any breach or default in the performance or observance of Tenant's covenants or obligations under this Lease.

In order to effect the same, the Tenant agrees to purchase and keep in full force and effect at all times during the term of this Lease, commercial general liability insurance with limits of at least one million dollars (\$1,000,000) per occurrence, for injuries to or death of persons, and at least one hundred thousand (\$100,000) per occurrence for damage to property. Such insurance shall name the Landlord, its agents, employees and officials and the Manager of the Property as additional insured parties under the policy.

The Tenant shall be responsible for any damages it, its employees, agents, representatives or invitees may cause to the Premises or to any personal or other property belonging to the Landlord that may be on such Premises. Any insurance purchased by the Landlord covering the Premises or its contents will not provide any coverage for any property belonging to the Tenant. If the Tenant wishes such coverage for its property or for loss of premises as a result of fire or other casualty, then Tenant will be solely responsible for purchasing same.

All insurance policies required under this Lease shall provide that the Landlord shall be given thirty (30) days advance notice prior to the reduction of or cancellation of any insurance policies required hereunder.

A copy of the insurance policies or certificates showing the same to be in full force and effect shall be delivered to the Landlord before the Tenant's occupancy of the Premises.

Any deductibles or self-insured retentions applicable to required coverages shall be paid by the Tenant, and the Landlord shall not be required to participate therewith. The insurance required hereunder shall be primary and any insurance or self-insurance maintained by the Landlord shall be in excess of the Tenant's insurance and shall not contribute therewith. Failure of the Tenant to comply with any reporting provisions of the insurance policies required hereunder shall not affect coverage provided to the Landlord. All rights of subrogation against

the Landlord shall be waived. All coverages for subcontractors of the Tenant, if any, shall be subject to all of the requirements stated herein.

The failure of the Tenant to maintain and pay all insurance premiums for insurance required hereunder, when due and payable, shall be grounds for the immediate termination of this Lease by the Landlord, any contrary provisions contained in Sections 17 or 18 hereof notwithstanding.

14. **Release.** Landlord and its employees and agents shall not be liable to Tenant, Tenant's employees, agents, assignees, subtenants, licensees, concessionaires, or to any other person or entity for any damage (including indirect and consequential damage), injury, loss, compensation or claim whatsoever, including but not limited to claims for the interruption of or loss to Tenant's business, based on, arising out of or resulting from any cause whatsoever (except as otherwise provided in this Article), including but not limited to the following: repairs to any portion of the Leased Premises which are the obligation of Tenant; interruption in the use of the Leased Premises or any equipment therein; any accident or damage resulting from the use or operation (by Landlord, Tenant or any other person or entity) of the following services: heating, cooling, electrical, sewerage, water, communications, data transmission, plumbing equipment or apparatus; the termination of this Lease arising in connection with the destruction of the Leased Premises; any fire, robbery, theft, vandalism, mysterious disappearance and/or any other casualty; the actions of any other tenants of the Leased Premises or of any other person or entity; and any leakage in any part or portion of the Leased Premises, or from water, rain, ice or snow that may leak, into, or flow from, any part of the Leased Premises, or from drains, pipes or plumbing fixtures in the Leased Premises. It further is understood and agreed that any failure or inability to furnish any services by Landlord shall not be considered an eviction, actual or constructive, of Tenant from the Leased Premises and shall not entitle Tenant to terminate this Lease or to an abatement of any Rent payable hereunder. Any goods, property or personal effects stored or placed by Tenant, its employees or agents in or about the Leased Premises and any data regardless of how stored (including but not limited to data stored magnetically or electronically) shall be at the sole risk of Tenant, and Landlord shall not in any manner be held responsible therefor.

In the event that at any time during the Lease Term Tenant shall have a claim against Landlord, Tenant shall not have the right to set off or deduct the amount owed or allegedly owed to Tenant from any Rent or other sums payable to Landlord, it being understood that Tenant's sole remedy for recovering upon a claim shall be to institute an independent action against Landlord.

15. **Assigning, Mortgaging, Subletting.** The Tenant agrees not to sublet, assign, transfer, or mortgage this Lease or sublet the Premises in whole or in part without the prior written consent of the Landlord. In the event that at any time Landlord shall sell or transfer the Leased Premises or Landlord's interest therein, Landlord shall not be liable to Tenant for any obligations or liabilities based on or arising out of events or conditions occurring after the date of such sale or transfer. Within five (5) days after the written request of any purchaser or transferee of the Leased Premises of Landlord's interest therein, Tenant shall attorn to such purchaser or transferee.

16. **Access to Premises.** At any reasonable time the Landlord may enter the Premises to inspect for its own purposes and/or make repairs necessary under the terms of this Lease. At any time within sixty (60) days before the termination of this Lease, the Landlord may enter the Premises at reasonable hours to exhibit same to prospective Tenants. The Landlord reserves the right to inspect the Premises at all reasonable times in order to ensure that the Tenant is complying with the provisions of this Lease. The Landlord will provide the Tenant with keys and or electronic codes which provide access to the Premises in accordance with the attached "Key Agreement," a copy of which is attached hereto as Exhibit "C." Landlord reserves the right to change locks and/or electronic access codes and provide same to Tenant on an as needed basis when changed. In the event Tenant loses or misplaces keys to the Premises, then Tenant will pay Landlord an amount sufficient to cover the cost of changing locks and obtaining and providing replacement keys.

17. **Cancellation or Modification of Lease by the Landlord or the Tenant.**

A. In the event that the Tenant desires to change the size or location of the Premises leased under this Lease through either expansion of the existing Premises (where feasible) or relocation to another section of the Property, this Lease may be modified by the Tenant providing notice to the Landlord at least sixty (60) days prior to the date of modification, provided that a modified lease is successfully negotiated between the Landlord and the Tenant for the new premises.

B. In the event of some force majeure or Act of God substantially impairing the ability of Tenant to perform its business profitably, as determined by the Landlord in its sole discretion, then the Tenant may terminate the Lease without penalty upon giving one hundred twenty (120) days written notice of its intent to do so,.

C. **In the event that the Landlord determines, in its sole discretion, that the Tenant is not making satisfactory technical, marketing, manufacturing or financial progress as an incubator Tenant or for any other reason it deems appropriate, the Landlord may cancel this Lease by providing the Tenant with at least forty five (45) days notice prior to the date of cancellation.**

18. **Default.** The occurrence of any of the following conditions shall constitute an “Event of Default” under this Lease and shall entitle the Landlord at its option to terminate the Lease in which event the Tenant shall vacate the Premises within ten (10) days of the date of notice to vacate:

A. The Tenant fails to pay within ten (10) days of the date due, any rent, additional rent, service fees, or other monies provided for in this Lease.

B. The Premises are vacated even though the Tenant continues to pay stipulated monthly rent.

C. Any petition or other action is filed by or against the Tenant under any section or chapter of the Federal Bankruptcy Act.

D. The Tenant becomes insolvent or transfers property in fraud of creditors.

E. The Tenant fails to comply with any provision or covenant of this Lease, any agreement attached hereto and/or any of the rules and regulations which may be established by the Landlord from time to time.

F. The Tenant is responsible for and fails to remove or satisfy any mechanic's lien or other claim or lien assessed or charged against or otherwise encumbering the Premises or Property within thirty (30) days after such lien or claim arises.

G. To the extent applicable, the failure by the Tenant to abide by the terms of that certain Letter of Commitment between the Tenant and the Landlord attached hereto as Exhibit "B."

H. The Tenant uses the Premises or other parts of the Property for the conduct of any activity prohibited by law (whether state, local or federal) for which punishment is provided by fine or imprisonment. In such event, immediate termination and eviction shall occur, and the Landlord shall be held harmless by Tenant from any and all consequences of same.

Should the Tenant fail to vacate the Premises upon notice of termination, the Landlord shall have the right to reenter the Premises and remove the Tenant and its effects without being liable for any damages thereto. The failure by the Landlord to call for a termination of the Lease at any time shall not constitute a waiver of the Landlord's right to do so at a subsequent time. Upon the occurrence of an Event of Default, in addition to termination, the Landlord shall also be entitled to recover from the Tenant all unpaid rent through the end of the original or renewal term, whichever is applicable, as well as any other sums for which the Tenant is liable under the terms of this Lease, including attorney's fees. The foregoing rights shall be in addition to, and not in lieu of, any other rights and remedies which the Landlord may be entitled to by law.

19. **Damage or Destruction of Premises.** If the Premises shall be damaged or destroyed in whole or in part, by fire, acts of God, war or casualty or any other means so as to make the same unusable for the purposes hereof, the Landlord shall have the option of repairing the Premises or of canceling this Lease in its entirety as of the date of the damage or destruction of the Premises. There shall be no obligation whatsoever on the Landlord to repair or rebuild the Premises in case of damage or destruction.

If the Landlord elects to repair or rebuild the damaged Premises, during the period that the Premises are unusable by the Tenant for the purposes hereof, the rent shall be abated until the Premises are restored to a good tenable condition. If the Premises are unusable in part, the rent shall be prorated until the Premises can be restored to a good and tenable condition provided that:

A. If any delay in repair or restoration is caused by the Tenant failing to adjust its own insurance or remove its damaged goods, equipment or other property within a reasonable time, the rent shall not abate during the period of such delay.

B. If any damage to the Premises is caused by the negligent or willful acts or omissions of the Tenant, its agents or employees, there shall be no rent abatement.

20. **Subordination.** The Tenant agrees that this Lease and its interest therein shall be secondary to any mortgage, deed of trust, or any other instrument of financing or refinancing now or hereafter placed on the Premises or on the land underlying the Premises and/or the Property. The Tenant agrees to execute and deliver to the Landlord any and all documents that may be required to show that the Tenant's rights hereunder are secondary.

21. **Holding Over.** If the Tenant remains in possession of the Premises after the expiration of any term that has not been renewed or extended by expressed act of both parties as required herein, then such occupancy shall not be deemed or construed to be a renewal or extension of this Lease, but shall operate to create a month to month tenancy under the conditions of this Lease, so far as applicable, and the rental due for each period shall be two hundred percent (200%) of the rent normally payable under the terms of this Lease unless otherwise agreed in writing by the Landlord.

22. **Relationship of the Landlord and the Tenant.** The Tenant shall not use any trademark, service mark, logo or trade name of the Landlord, except as expressly approved by the Landlord in writing.

23. **Rules and Regulations.**

A. The Landlord shall have the right from time to time to promulgate and enforce rules and regulations with respect to the use and operation of the Premises, Property and common areas and to amend such rules and regulations from time to time. The Tenant shall faithfully observe and comply with these rules and regulations.

B. The Tenant recognizes the rights of the other tenants in the facility and will not disrupt, impede or otherwise interfere with the rights of other tenants in and to the facility by noise, objectionable use, disregard for safety and cleanliness or any other action or behavior which might be objectionable, in Landlord's sole discretion, to other tenants.

24. **Binding Successors.** This Lease is binding on the respective heirs, successors, representatives and assigns of the parties hereto.

25. **Construction of Lease.**

A. **Applicable Law.** The laws of the Commonwealth of Virginia shall govern the validity, interpretation, performance and enforcement of this Lease.

B. **Titles and Headings.** The titles and headings of this Lease are used only for convenience and are not to be construed as part of the Lease.

C. **Entire Agreement.** This Lease and its attachments, including Exhibits A, B, and C, contain the entire agreement between the parties hereto pertaining to the Premises and all negotiations and all agreements acceptable to both parties are included herein.

26. **Notice.** Wherever this Lease requires notice to be served on the Tenant or the Landlord, notice shall be sufficient if by actual delivery or if mailed by first class mail with postage fully prepaid to the following addresses and persons:

To Landlord: Executive Director  
VIRGINIA HIGHLANDS SMALL BUSINESS INCUBATOR  
851 French Moore, Jr Blvd.  
Abingdon, VA 24210

To Tenant: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Abingdon, VA 24210

27. **Non-discrimination.** The Tenant covenants and agrees that in its use, operation and occupancy of the Premises no persons on the grounds of race, color, religious creed, sex, national origin, ancestry, marital status, age, or physical disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the operation of the Tenant’s business and use of the Premises.

28. **Purpose of Lease.** This lease is for the benefit of both parties. Nonetheless, the terms of the Lease are material to the Lessor’s ability to provide space to those businesses that Lessor determines in its sole discretion are capable of developing or growing into successful enterprises which will not need the lower-than-market benefits and other services offered by the Lessor and not traditionally found in other leasehold arrangements (with the possible exception of other business incubator leases). As a result, the Lessor will continue to possess, during and after the termination of this Lease, without threat of liability, claim or legal action of any sort, all the rights retained by it and set forth herein which include but are not limited to the right to review all business and financial records of the Tenant, and to right to terminate the Lease at any time. The Lessee accepts such conditions, although they may prove onerous to its operations. **Lessee hereby waives any and all rights that it may have or assert to have to make any claim or file any legal action against the Lessor, its directors, agents, officers or other representatives for any decision made or which it fails to make regarding the financial promise of the Lessee’s business, its ability to be financially successful, or its rights to terminate the Lease. This exemption from liability extends to any advice received by the Lessee from the Lessor or from third party consultants provided by the Lessee.**

In WITNESS WHEREOF, the parties hereto have executed this Lease on the date first above written.

VIRGINIA HIGHLANDS SMALL  
BUSINESS INCUBATOR

By: \_\_\_\_\_  
Its: Executive Director

By: \_\_\_\_\_  
Its: \_\_\_\_\_

[TENANT]

By: \_\_\_\_\_  
Its: \_\_\_\_\_

The undersigned hereby guarantees to pay all indebtedness or liability incurred in the name of the Tenant without qualification or limitation. This guarantee shall inure to the benefit of and bind the heirs, administrators, executors, successors and assigns of the parties hereto.

\_\_\_\_\_  
Date: \_\_\_\_\_  
Company Principal

The undersigned hereby jointly and severally guarantee all of the obligations of the Tenant under the above Lease. This guarantee shall inure to the benefit of and bind the heirs, administrators, executors, successors and assigns of the parties hereto.

\_\_\_\_\_ (SEAL)  
Date: \_\_\_\_\_

\_\_\_\_\_ (SEAL)  
Date: \_\_\_\_\_

\_\_\_\_\_ (SEAL)  
Date: \_\_\_\_\_

\_\_\_\_\_ (SEAL)  
Date: \_\_\_\_\_

**EXHIBIT "C"**

**TENANT KEY ISSUANCE AND RETURN CERTIFICATE**

The undersigned Tenant hereby acknowledges: 1.) that the Executive Director of the Virginia Highlands Small Business Incubator is designated as the Landlord for the leased Incubator property referred to herein; 2.) that the Tenant named below accepts the Keys, Electronic Access Code, Security Code, and Post Office Box Key listed below for the Virginia Highlands Small Business Incubator; 3.) that if duplicate Keys are required by Tenant, said duplicate Keys will be provided only by the Landlord (at the Landlord's expense) if, in the Landlord's sole discretion, Landlord determines that said duplicate Keys are needed and should be provided; 4.) that all officers, employees and principals of Tenant will ensure that all building access doors are secure when leaving the premises at any time other than normal business hours; and 5.) that upon termination of this Lease, all Keys will be returned to the Landlord.

Issued to: \_\_\_\_\_ Date: \_\_\_\_\_

Tenant Identity: \_\_\_\_\_ Office/Suite Number: \_\_\_\_\_

Number of Office/Suite Keys Issued: \_\_\_\_\_ Manufacturer's Key Code(s): \_\_\_\_\_

Electronic Access Code: \_\_\_\_\_ Security Code: \_\_\_\_\_

P. O. Box Number Assignment: \_\_\_\_\_ P.O. Box Key Code: \_\_\_\_\_

**I/we accept custody of this Key(s), Electronic Access Code, Security Code, and Post Office Box Key, and I/we agree to abide by the terms and conditions itemized below:**

Tenant will immediately report lost or stolen Keys, or compromised Electronic Access Code or Security Code, to the Executive Director of the Virginia Highlands Small Business Incubator. In case of lost or stolen Keys, Tenant assumes financial responsibility to have the Key replaced or the lock cylinder re-keyed, as deemed appropriate by the Executive Director of the Virginia Highlands Small Business Incubator.

**Under no circumstances is this Key to be duplicated.** Tenant is aware that Key duplication is a violation of Virginia Code Section 18.2 - 503, and that unauthorized Key duplication subjects Tenant to immediate Lease termination.

Tenant agrees not to loan Keys, nor to provide Electronic Access Code or Security Code to unauthorized individuals, under penalty of immediate Lease termination.

Tenant agrees to use the Keys and Codes provided to enter only those areas where Tenant is allowed access under Tenant Lease provisions.

When Key is no longer needed, or when Tenant's Lease is terminated, Tenant agrees to return all Keys to the Incubator Executive Director.

\_\_\_\_\_  
Signature of person(s) authorized to receive/return Keys and Codes

\_\_\_\_\_  
Date

Key Return:

\_\_\_\_\_  
Signature of person(s) authorized to receive/return Keys and Codes

\_\_\_\_\_  
Date