

DUDLEY NEIGHBORS INCORPORATED
EXTENDED PERIOD GROUND LEASE OF OPEN SPACE
to

for
OPEN SPACE
located at

EXTENDED PERIOD GROUND LEASE OF OPEN SPACE

THIS INDENTURE OF GROUND LEASE is made and entered into as of this ____ day of _____, 2003 (the or this “Lease”), by and between DUDLEY NEIGHBORS INCORPORATED (“DNI” or “Lessor”), a Massachusetts not-for-profit corporation with a principal office at 504 Dudley Street, Boston, Massachusetts 02119, as Lessor, and _____, with an address at _____ (“Lessee”).

WHEREAS, DNI is organized exclusively for charitable purposes, including: facilitating the development and preservation of decent, affordable housing for low- and moderate-income people in the Dudley Triangle area of Boston; the conservation of land and natural resources by fostering responsible long-term occupancy; and the promotion of neighborhood stability and improvement of low-income communities in the Dudley Triangle area of Boston; and

WHEREAS, the goal of DNI is to stimulate the ownership of decent, affordable housing among low- and moderate-income people in attractive communities through the long-term leasing of land under said housing and through the leasing of undevelopable land for community improvement purposes; and

WHEREAS, the Leased Premises described hereunder have been acquired and are being leased by DNI in furtherance of these charitable purposes and of DNI’s rights and responsibilities as a corporation acting pursuant to Chapter 121A of the Massachusetts General Laws; and

WHEREAS, the Lessee shares the purposes and goals of DNI and has agreed to enter into this Lease not only to obtain those certain benefits provided hereunder, but also to further the charitable purposes of the Lessor; and

WHEREAS, Lessor and Lessee recognize the special nature of the terms and conditions of this Lease, and each of the parties hereto, with the independent and informed advice of legal counsel freely accepts said terms and conditions, including, without limitation, such terms and conditions as might affect any structures or other improvements, to the extent permitted, on the Leased Premises and the units therein; and

WHEREAS, it is mutually understood and accepted by Lessor and Lessee that the terms and conditions of this Lease further the parties’ shared goal of improving community open spaces in those communities in which Lessor has preserved access to land and the availability of decent, affordable housing and home ownership opportunities for low- and moderate-income people over an extended period of time and through a succession of residents and owners;

NOW THEREFORE, in consideration of the foregoing recitals, of mutual promises of the parties hereto, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

Intentionally Omitted.

ARTICLE II

DEMISE OF LEASED PREMISES

In consideration of the rents reserved and the terms, conditions, covenants and agreements herein, Lessor does hereby demise and lease unto Lessee, and Lessee does hereby take and hire from Lessor, the land in the Roxbury section of Boston (referred to in this Lease as the "Leased Premises") as described in Exhibit PREMISES attached hereto. Lessee accepts title to the Leased Premises in their condition "as is" as of the execution hereof.

ARTICLE III

DURATION OF LEASE

3.1 Term. The term of this Lease shall be approximately 99 years, commencing on the ___ day of _____, 2003, and terminating on the earlier to occur of (i) the 31st day of December, 210__.

ARTICLE IV

USE OF LEASED PREMISES

4.1 Use. Lessee shall use, and shall cause all others to use, the Leased Premises and any structures or other improvements, to the extent expressly consented to in writing by Lessor and permitted by all applicable laws, now or in the future thereon (the "Improvements") only for horticultural, floricultural, or such other purposes as are consistent with the proper maintenance and improvement of open spaces and incidental activities related to such uses (to the extent such activities are from time to time permitted by then applicable zoning law) ("Permitted Uses"). In addition, transfers of Lessee's interest in the Leased Premises shall

be subject to the restrictions hereof, including Article XI. Lessee agrees and acknowledges that the foregoing limitations and all other conditions and restrictions contained herein are essential to the fulfillment of the charitable purposes of Lessor and are conditions and restrictions on the use of the Leased Premises intended to run the full term of this Lease.

4.2 Responsible Use. Lessee shall use the Leased Premises and the Improvements in a manner so as not to cause actual harm to others nor create any nuisances, public or private; and shall dispose of any and all waste in a safe and sanitary manner.

4.3 Responsible for Others. Lessee shall be responsible for the use of the Leased Premises and the Improvements by himself and his family, their friends or visitors, or anyone else using the Leased Premises with their consent, and shall make such persons aware of the spirit, intent and terms of this Lease.

4.4 Hazardous Substances. Lessee shall not use, install or dispose of hazardous wastes or other hazardous materials (individually and collectively "Hazardous Substance(s)") at or near the Leased Premises. If any presence, release or threat of release of Hazardous Substance(s) shall exist or occur at or near the Leased Premises, and regardless of the origin or cause of such presence, release or threat of release of Hazardous Substance(s), Lessee shall promptly, at its sole cost and expense, remove and/or treat the same, as required by law and pay any fines or penalties imposed by any governmental authority in connection therewith, and Lessee hereby agrees to indemnify and defend Lessor and hold Lessor harmless of and from any loss, cost, liability and expense arising out of or incurred in connection with any such presence, release or threat of release of Hazardous Substances at or near the Leased Premises.

4.5 Inspection. Lessor may inspect any portion of the Leased Premises at any reasonable time and in any reasonable manner, upon at least twenty-four (24) hours oral notice to Lessee. No notice shall be required in an emergency.

4.6 Lessee's Right to Peaceful Enjoyment. Lessee has the right to undisturbed enjoyment of the Leased Premises, and Lessor has no desire or intention to interfere with the personal lives, associations, expressions, or actions of Lessee subject to the terms, covenants, conditions, provisions, restrictions, or reservations of this Lease.

4.7 Condition of Leased Premises; Compliance with Law. Lessee agrees that Lessee shall maintain the Leased Premises and Improvements in good and safe condition in all respects, in full compliance with all applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction over matters concerning the condition of the Leased Premises or Improvements, and in full compliance with all the terms and conditions of this Lease and its related documents.

ARTICLE V

GROUND RENT

5.1 Ground Rent. Lessee shall pay to Lessor a monthly Ground Rent (the Ground Rent”) equal to:

- (a) an Administrative Fee (hereinafter defined) of \$_____, as adjusted pursuant to Section 5.4 below; plus
- (b) one twelfth (1/12) of (i) the annual real estate or excise taxes (such as the 6A payments defined in Section 6.2 below) or other payments in lieu of taxes and (ii) any other municipal charges whatsoever (such as water and sewer charges), applicable to the ownership or use of the Land, Leased Premises or Improvements; plus
- (c) special assessments or tax adjustments against the Land, Leased Premises or Improvements prorated over the period for which said assessments or adjustments apply; plus
- (d) one-twelfth (1/12th) of the insurance premiums for such insurance as Lessor may from time to time carry with respect to the Land or the Leased Premises.

5.2 Calculation of Ground Rent. Promptly after the receipt by Lessor of bills for the upcoming year for such taxes, special assessments, insurance, and other items which constitute portions of the Ground Rent, but in any event not later than December 15th of each year, Lessor shall give Lessee notice of the estimated total amount of the Ground Rent for the then coming calendar year. If a bill for the coming year for any item included in the Ground Rent is not available as of the time Lessor gives such notice, Lessor shall make a projected computation based upon the charge for such item for the immediately prior year. A final adjustment shall be made in the Ground Rent and Lessee notified thereof promptly after Lessor receives the applicable bill for the then current year.

5.3 Payment of Ground Lease Fee. Subject to the provisions of Section 6.2 below, the Ground Rent shall be payable at Lessor’s principal address specified herein on the first day of each month of each year of the term hereof. If this Lease commences between any of the aforesaid payment dates, a pro-rata portion of the Ground Rent shall be paid for the balance of such month at the time of the execution hereof.

5.4 Calculation of Administrative Fee. The amount of the Administrative Fee specified in Section 5.1(a) above has been calculated to approximate one-twelfth (1/12) of the total costs and expenses Lessor reasonably anticipates incurring in connection with the administration, enforcement and monitoring of this Lease (collectively, “Monitoring”), based upon the portion of Lessor’s budgeted amounts for all of Lessor’s Monitoring for the various

parcels involved in the Dudley Triangle area which is fairly allocable to the Leased Premises. Such amounts shall include, without limitation, Monitoring costs for any parks or other common recreation areas serving the Dudley Triangle area, but shall not include costs of social services which Lessor may provide in addition to its Monitoring. The Administrative Fee shall be recalculated each year based upon Lessor's anticipated budget for the coming year, including an increase or credit (if any) to account for any variance between the budgeted and the actual amounts spent. Lessor shall notify Lessee promptly upon such recalculation of the new Administrative Fee amount.

ARTICLE VI

TAXES AND ASSESSMENTS

6.1 Payment of Taxes by Lessor with Ground Rent Proceeds. Provided that Lessee has paid the Ground Rent promptly and fully in accordance with the foregoing Article V, Lessor shall pay all taxes or assessments owed for its ownership of the Land with the proceeds generated from the Ground Rent. Lessor shall keep that portion of the Ground Rent designated for taxes or assessments in a tax escrow account. Such tax escrow account may contain funds collected for such purpose from other lessees of Lessor. Lessee shall not be entitled to any interest on the payments made. Lessor may from time to time at its discretion change the number and/or location of said tax escrow account. Lessor and Lessee shall cooperate in securing any discount that may be available for early payment of taxes or assessments.

6.2 Lessee's Responsibility for Taxes and Assessments Related to Improvements. Notwithstanding the generality of Section 6.1 nor the provisions of Section 5.1 specifying the components of the Ground Rent, Lessee shall be solely liable and responsible for payment of all taxes and assessments, no matter how designated, that relate to the Improvements and/or the Leased Premises (any and all of the foregoing, "Taxes"); in particular, Lessee shall be responsible for payment of its proportional share of the payments (the "6A Payments") due from Lessor to the City of Boston pursuant to a so-called 6A agreement entitled DUDLEY NEIGHBORS INCORPORATED, Contract Required by Section 6A of Chapter 121A of the General Laws, dated April 30, 1990, as amended to date, governing the payment of excise taxes by Lessor pursuant to Section 10 of Chapter 121A of the Massachusetts General Laws.

So long as Lessee shall not be in default hereunder, Lessee shall be permitted to pay directly to the taxing or assessing authority the portions of the Ground Rent described in Sections 5.1(c) and (d) above relating to the Improvements of this Lease (but not the Land) in lieu of paying such portions of the Ground Rent to Lessor; provided, however, that the portion thereof consisting of 6A Payments shall only be paid directly with the written consent of the Assessor's Office of the City of Boston (or its successor). From and after notice of a default to Lessee so stating, Lessor may require that some or all of such payments be made to Lessor as

part of the Ground Rent specified in Article V.

To the extent any Taxes are not accounted for in the Ground Rent, Lessee shall pay promptly when due such Taxes directly to the taxing or assessing authority. Lessee shall also pay directly, when due, all service bills, utilities charges, or other governmental assessments charged against the Leased Premises, unless otherwise directed by Lessor after Lessee shall be in default hereunder with respect to any monetary obligation.

6.3 Lessee's Right to Contest. Subject to the last sentence of this Section 6.3, Lessee shall have the right to contest the amount or validity of any Taxes. Lessor shall, upon written request by Lessee, join in any such proceedings if Lessee shall reasonably determine that it shall be necessary or convenient for Lessor to so join in order for Lessee to prosecute such proceedings. Lessor shall pay the costs of its own counsel if Lessor chooses to retain an attorney; all other costs and expenses of such proceedings shall be paid by Lessee. Notwithstanding the foregoing, Taxes or assessments against or including the Land (including 6A Payments) shall be contested only with the concurrence of Lessor in its sole discretion.

6.4 Payments in Event of Delinquency. If Lessee fails to pay the Taxes or other charges specified in Section 6.2 above which are not otherwise part of the Ground Rent, Lessor may (i) make such payments directly and then charge Lessee such amounts paid as additional rent, or (ii) increase Ground Rent payments in amounts such that the total sum collected will offset the cost of any such delinquent and current Taxes and other such charges, and thereafter make such payments in a timely manner.

6.5 Proof of Compliance. Concurrently with the payment thereof, each party shall furnish evidence satisfactory to the other documenting the payment of all taxes, assessments, and charges paid by such party as required or permitted by the provisions of this Lease. A photocopy of a paid receipt for such charges showing payment prior to the due date thereof shall be the usual method of furnishing such evidence.

ARTICLE VII

IMPROVEMENTS

7.1 Ownership. It is expressly understood and agreed that any and all Improvements and fixtures purchased by Lessee or constructed, placed, or maintained by Lessee (or its predecessor hereunder) upon any part of the Leased Premises at any time during the term of this Lease shall be and remain the property of Lessee. Fee simple determinable title to such Improvements and fixtures shall be and remain vested in the Lessee during the term hereof. Lessee's exercise of the rights of ownership is subject and subordinate, however, to the provisions hereof, in particular Section 7.6 below regarding the disposition of Improvements by

Lessee.

7.2 Intentionally Omitted.

7.3 Construction and Alteration. Any construction in connection with an existing or new Improvement is subject to the following conditions: (a) all costs shall be borne and paid for by Lessee; (b) all construction shall be performed in a good and workmanlike manner and shall comply with all applicable laws, ordinances and regulations, including the requirements of local and state public health authorities; (c) all construction must be consistent with the permitted uses set forth in Article IV and (d) the exterior (including height) of such Improvements shall not be increased or expanded without the prior written consent of Lessor.

7.4 Prohibition of Liens. No lien for services, labor or materials resulting from Lessee's capital improvements shall attach to the Land or Lessor's interest in this Lease or the Leased Premises or to any other property owned by the Lessor. Lessee shall not suffer or permit any vendor's, mechanic's, laborer's, or materialman's statutory or similar lien to be filed against the Leased Premises, the Improvements, or any interest of Lessor or Lessee. If any such lien shall at any time be filed against the Leased Premises, or any improvements thereof, Lessee shall within sixty (60) days after notice of the filing thereof cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or as otherwise permitted by law. If Lessee shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy of Lessor, Lessor may, but shall not be obligated to, discharge the same by paying the amount in question. Lessee in good faith and at Lessee's expense may contest the validity of any such asserted lien, provided Lessee has furnished a bond in an amount set by statute or otherwise sufficient to release the Leased Premises from such lien. Any amounts paid by Lessor hereunder in respect of such liens shall be deemed to be an additional Ground Rent payable by Lessee upon demand.

7.5 Maintenance. Lessee shall, at Lessee's sole expense, maintain the Leased Premises and all Improvements in accordance with all applicable laws, rules, ordinances, orders and regulations of all governmental agencies and entities with jurisdiction and all insurance companies insuring all or any part of the Leased Premises or Improvements. Lessor shall not be required to furnish any services or facilities, including but not limited to heat, electricity, air conditioning or water, or to make any repairs to the Leased Premises or Improvements, and Lessee hereby assumes the full and sole responsibility for furnishing all services or facilities.

7.6 Disposition of Improvements Upon Expiration of Lease Term. Upon the expiration of the term hereof, as such term may be extended or sooner terminated in accordance with this Lease, Lessee shall yield up and surrender the Improvements together with the Leased Premises to Lessor. The Improvements shall thereupon revert in title to Lessor

ARTICLE VIII

FINANCING

Lessee shall not, during the term of this Lease, mortgage, pledge or otherwise encumber its interest in this Lease, or any part thereof nor in any Improvements thereon, if any, under any first or other leasehold mortgage or fixture filing.

ARTICLE IX

LIABILITY INSURANCE, DAMAGE AND
DESTRUCTION, EMINENT DOMAIN

9.1 Lessee's Liability. From and after the date hereof, Lessee assumes sole responsibility and liability to any and all persons and authorities for any and all loss, cost, damage or liability related to possession, occupancy and use of the Leased Premises and/or the Improvements.

9.2 Indemnification of Lessor. Lessee shall defend, indemnify and hold Lessor harmless against all liability and claims of liability for damage or injury to person or property from any cause on or about the Leased Premises. Lessee waives all claims against Lessor for damage or injury to person or property on or about the Leased Premises arising, or asserted to have arisen, on or about the Leased Premises from any cause whatsoever. Notwithstanding the foregoing two sentences, Lessor shall remain liable (and Lessee shall not indemnify and defend Lessor against nor waive such claims of liability) for damage or injury due to the negligent or intentional wrongful acts or omissions of Lessor or Lessor's agents or employees for whose acts Lessor is legally liable.

9.3 Payment by Lessor. If Lessor shall be required to pay any sum whatsoever which sum is Lessee's responsibility or liability, Lessee shall reimburse the Lessor therefor and for reasonable expenses caused thereby.

9.4 Insurance. Lessee shall, at Lessee's expense:

(a) Insurance Coverage of Improvements: Keep all Improvements continuously insured against loss or damage by fire and the extended coverage hazards for the full replacement value of such Improvements.

(b) Bodily Injury Liability Insurance: Maintain continuously in effect bodily injury liability insurance covering the Leased Premises and its appurtenances in the amounts of not less than Three Hundred Thousand and 00/100 dollars (\$300,000.00) for injury to or

death of any one person; and Three Hundred Thousand and 00/100 dollars (\$300,000.00) for injury to or death of any number of persons in one occurrence; and Fifty Thousand and 00/100 dollars (\$50,000.00) for property damage.

The dollar amount of each such coverage shall be adjusted at least every 2 years from the date hereof or upon Lessor's demand given not more often than annually, upon 30 days' notice to Lessee. This adjustment shall be equal to the percentage of change (positive or negative) over the period since the last adjustment in the Consumer Price Index for urban areas the size of the City of Boston. Such index is maintained by the Office of Prices and Living Conditions of the Bureau of Labor Statistics, of the U. S. Department of Labor.

Such insurance shall specifically insure Lessee against all liability assumed hereunder, as well as all liability imposed by law, and shall also insure Lessor as an additional insured so as to create the same liability on the part of insurer as though separate policies had been written for Lessor and Lessee.

(c) Lessee shall provide Lessor with copies of all policies and renewals thereof. All policies shall also contain endorsements providing that they shall not be canceled, reduced in amount or coverage or otherwise modified by the insurance carrier involved without not less than thirty (30) days' prior written notice being given to Lessor. Lessor shall be entitled to participate in the settlement or adjustment of any losses covered by such policies of insurance.

9.5 Damage or Destruction. If the Improvements are damaged or destroyed by fire or other hazard, Lessee shall forthwith commence, and thereafter diligently and continuously prosecute to completion, the repair of such damage and the restoration of such Improvements to their condition immediately prior to such damage. All such repairs and restoration shall be completed as promptly as possible. Lessee shall also promptly take all steps necessary to assure that the Leased Premises shall be and remain safe and the damaged Improvements not constitute a hazard or danger to persons or property from the time of the fire or other casualty.

In no event shall the Ground Rent be suspended or abated unless Lessor, in its sole discretion, decides to do so in consideration of the personal hardship or incapacity of Lessee. The intent of this section is to foster perpetual use by Low- or Moderate-Income Residents (as defined below) despite the occurrence of unforeseeable financial and personal hardship.

If not later than sixty (60) days after the occurrence of a fire or other casualty which causes substantial damage to the Improvements, Lessee, using reasonable judgment and in reliance upon professional estimates and advice, determines that such full repair and/or restoration is either (a) physically impossible, or (b) provided that Lessee has fulfilled all of the hazard insurance requirements set forth in Section 9.5 hereof, the available insurance proceeds are less than eighty percent (80%) of the cost of such repair and/or restoration, then Lessee may

terminate this Lease by written notice to Lessor given within such sixty (60) day time period. Such termination notice shall not, however, be effective until sixty (60) days after the date upon which it is received by Lessor, during which time Lessor shall have the opportunity to seek an adjustment from the insurer so as to increase the amount of available insurance proceeds, arrange for such repair and/or restoration at a cost sufficiently low so as to avoid condition (b) of the preceding sentence, or design a partial restoration of the Improvements which would be sufficient to provide Lessee with Improvements of reasonably equivalent quality and floor area to not less than eighty percent (80%) of the Improvements as they existed immediately prior to such fire or other casualty; and in any of the foregoing cases by written notice of such action to Lessee within such additional sixty (60) day period the Lessor may render Lessee's termination notice null and void. If Lessor shall fail to so nullify the termination notice, then this Lease shall terminate at the expiration of such sixty (60) day period after Lessor's receipt of Lessee's termination notice, and any proceeds of insurance payable to Lessee on account of such fire or other hazard shall be paid as provided in the following paragraph.

Such insurance proceeds shall be allocated between Lessee and Lessor in the same proportion as that of the relative fair market values of: (i) the Improvements prior to such casualty, as encumbered by this Lease, to (ii) the Land, Improvements and other property located on the Leased Premises (also measured prior to such casualty and as encumbered by this Lease), less the value of the Land, Improvements and other property located on the Leased Premises measured after such casualty as of the time of termination and as encumbered by this Lease. For example, if the value of the Improvements as permitted by this Lease prior to such casualty would have been \$50,000, the value of said Land, Improvements and other property prior to such casualty would have been \$90,000, and the value of the Land, Improvements and other property as of the date of termination would have been \$50,000, then the proceeds would be split in the proportion of \$50,000 to \$40,000 (\$90,000 minus \$50,000 = \$40,000), or 80% to Lessee, and 20% to Lessor. Notwithstanding the generality of the foregoing, Lessee shall not in any event receive an amount of such proceeds in excess of the value of the Improvements permitted hereunder such that if, in the preceding example, the available amount of insurance proceeds had been \$70,000 (and 80% of \$70,000 is \$56,000), the Lessee would still only receive \$50,000 (the value of the Improvements as permitted by this Lease prior to the casualty) and the Lessor would receive the \$14,000 balance thereof.

9.6 Eminent Domain and Public Dedication. If the entire Leased Premises are taken by reason of eminent domain or other action of public authority prior to the expiration of the term of this Lease, this Lease shall terminate as of the date Lessee is thereby required to give up possession of the Leased Premises, and the entire amount of any award(s) paid shall be allocated as provided in the following paragraph.

Said award(s) shall be allocated between Lessee and Lessor in the same proportion as that of the relative fair market values of: (i) the Improvements prior to such taking, as encumbered by this Lease (including the limitation on sale price set forth in Article X hereof), to

(ii) the Land, Improvements and other property located on the Leased Premises (also measured prior to such taking and as encumbered by this Ground Lease), less the value of the Land, Improvements and other property located on the Leased Premises measured after such taking as of the time of termination and as encumbered by this Lease. Notwithstanding the generality of the foregoing, Lessee shall not in any event receive an amount of such award in excess of the value of the Improvements permitted hereunder.

If less than the entire Leased Premises are so taken, then the proceeds paid or payable by reason of such taking shall be allocated as follows:

- a. If the Improvements may reasonably be restored to a residential use consistent with this Lease, Lessor may in its discretion allocate some or all of the proceeds to enable Lessee to repair and restore that which may remain thereof.
- b. Any remainder after the use of such proceeds as set forth in subsection a. above shall be paid over in accordance with an allocation made as provided above in the first paragraph of this Section.

Any and all proceedings brought by Lessee in connection with the claim or claims for damages as a result of any taking referred to in this Section shall be conducted by and at the sole expense of the Lessee. If any provision of law now or hereafter in effect shall require that said proceedings be brought by or in the name of any owner of the premises, Lessor shall join in such proceedings or permit the same to be brought in its name. Lessor covenants and agrees to do any and all acts and to execute any and all documents which may be reasonably required to enable Lessee to maintain such proceedings. If Lessor shall incur any cost or expense in connection with such proceedings, Lessor shall be entitled to reimbursement for the reasonable amount thereof and same shall likewise constitute a first charge against any award.

9.7 Relocation of Lessee. If this Lease is terminated by reason of property damage or taking, Lessor may, but shall not be obligated to, grant to Lessee a leasehold interest in another tract that Lessor owns, if such other tract is available and Lessee agrees to contribute any proceeds or award received by Lessee to purchase or develop such other property and enter a ground lease substantially similar to this one. In no event shall Lessor be required to terminate the tenancy of any other lessee or withhold any property from development or rental so as to accommodate Lessee, and Lessor's failure to supply similar leasehold premises or any premises whatsoever shall not give rise to any cause of action by Lessee against Lessor for damages, specific performance or other remedy.

ARTICLE X

Intentionally Omitted.

ARTICLE XI

ASSIGNMENT AND SUBLEASE

Lessee shall not assign, sublease, sell or otherwise transfer or convey any of Lessee's rights under this Lease without the prior written consent of Lessor. Lessee agrees that Lessor shall have broad and full discretion to withhold such consent in order to further the mutual purposes and goals set forth herein. If permission is granted, any assignment, sublease or other transfer shall be subject to the following conditions:

- a) any such assignment or sublease shall be subject to all of the terms and provisions of this Lease; and
- b) in the case of a sublease, the rental or occupancy fee charged the sublessee shall not be more than that charged the Lessee by the Lessor.

ARTICLE XII

DEFAULT

12.1 Events of Default. It shall be an Event of Default if:

- (a) Lessee shall fail to pay the Ground Rent or other charges for which provision is made herein within thirty (30) days after Lessor has sent to Lessee notice of such default. However, if Lessee shall make a good faith partial payment of at least two-thirds (2/3) of the Ground Rent during such initial 30 day grace period, then such period shall be extended one additional 30 day period; or
- (b) Lessee shall fail to perform or observe any other material term or condition in this Lease, and such failure is not cured within sixty (60) days after notice thereof from Lessor to Lessee. However, in the case where the Lessee has commenced to cure such default within such sixty (60) day period and is continuing such cure expeditiously and with all reasonable due diligence but cannot by the exercise of due diligence cure such default within such period, such period shall be extended for such additional period as may be reasonable under the circumstances; or
- (c) if the estate hereby created shall be taken on execution or by other process of law, or if Lessee shall be judicially declared bankrupt or insolvent according to law, or if any assignment shall be made of the property of Lessee for the benefit of creditors, or if a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of Lessee's property by a court of competent jurisdiction, or if a petition shall be filed for the reorganization of

Lessee under any provisions of the Bankruptcy Act now or hereafter enacted, or if Lessee shall file a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

In any of said cases Lessor may, immediately or at any time thereafter, terminate this Lease and initiate summary proceedings against Lessee. Pursuant to such proceedings, without demand or notice, Lessor may enter into and upon the Leased Premises or any part thereof in the name of the whole and repossess the same, and expel Lessee and those claiming by, through or under Lessee and remove its or their effects without being guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant. Upon entry as aforesaid, Lessor shall have the right, by suitable notice to Lessee, forthwith to terminate this Lease. If this Lease is terminated by Lessor, or if Lessor re-enters the Leased Premises pursuant to an Event of Default, Lessee agrees to pay and be liable for any unpaid Ground Rent, damages which may be due or sustained prior to or in connection with such termination or re-entry, and all reasonable costs, fees and expenses (including, without limitation, reasonable attorneys' fees) incurred by Lessor in pursuit of its remedies under this Lease.

12.2 Lessor's Default. Lessor shall in no event be in default in the performance of any of Lessor's obligations hereunder unless and until Lessor shall have failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Lessee to Lessor properly specifying wherein Lessor has failed to perform any such obligation.

ARTICLE XIII

ARBITRATION

13.1 Arbitration Process. Should any dispute arise between Lessor and Lessee concerning the terms of this Lease which cannot be resolved by negotiation, the following arbitration procedure shall be used:

Lessor or Lessee shall notify the other by written notice of its selection of a disinterested arbitrator. Within fifteen (15) days of receipt of this written notice the other party may by written notice to the initiator of the arbitration process appoint a disinterested arbitrator of its own choice. These two arbitrators shall select a third arbitrator. If the other party fails to timely name an arbitrator in response to the receiving of the written notice from the initiator, the arbitrator selected by the initiator shall be the sole arbitrator.

The arbitrator or arbitrators shall hold a hearing within thirty (30) days after the initial written notice by the initiator of the arbitration process. At the hearing, Lessor and

Lessee shall have an opportunity to present evidence and question witnesses in the presence of each other.

As soon as reasonably possible, and in no event later than fifteen (15) days after the hearing, the arbitration panel shall make a written report to Lessor and Lessee of its findings and decisions, including a personal statement by each arbitrator of his/her decision and the reason for it. The arbitrators shall decide the dispute or claim in accordance with the substantive law of the jurisdiction and what is just and equitable under the circumstances. The decisions and awards of the majority of the arbitration panel shall be binding and final between Lessor and Lessee.

ARTICLE XIV

GENERAL PROVISIONS

14.1 Intentionally Omitted.

14.2 Notices. Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below or such other address designated by like written notice.

If to Lessor: Dudley Neighbors Incorporated
504 Dudley Street
Boston, MA 02119
Attention: President

with a copy to: Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, MA 02110-3333
Attention: David M. Abromowitz, Esq. (DNI)

If to Lessee:

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

14.3 No Brokerage. Lessee warrants and represents that it has not dealt with any broker in connection with the consummation of this Lease. If any claim is made against Lessor relative to dealings with brokers, Lessee shall defend the claim against Lessor with counsel of Lessor's selection and save harmless and indemnify Lessor on account of loss, cost or damage which may arise by reason of any such claim.

14.4 Severability and Duration of This Lease. If any Article, Section, paragraph, subparagraph or clause of this Lease shall be determined to be unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other Article, Section, paragraph, subparagraph or clause, or give rise to any cause of action of either party to this Lease against the other, and the remainder of this Lease shall be valid and enforceable to the fullest extent permitted by law. Without limiting the generality of the foregoing, it is the intention of the parties that their respective options to purchase and all other rights and options hereunder shall continue in full force and effect for the duration of the term of this Lease and any renewal thereof, and such options and other rights shall be considered to be coupled with an interest. Further, the parties intend such options and other rights to be ones arising out of a non-donative transfer within the meaning of M.G.L. c.184A, §4, as the same is now in effect, and therefore not subject to any limitations otherwise imposed by said M.G.L. c.184A. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration or exercise thereof, the time period for the exercise of such option or right shall be construed to expire twenty (20) years after the death of the last survivor of the following persons:

The children living as of the date hereof of any of the directors or employees of the law firm of Goulston & Storrs.

14.5 Waiver. The waiver by Lessor of or the failure of Lessor to take action with respect to any breach of any term, covenant, condition, provision, restriction, or reservation herein contained, shall not be deemed to be a waiver of such term, covenant, condition, provision, restriction, or reservation or subsequent breach of same, or of any other term, covenant, condition, provision, restriction, or reservation herein contained. Lessor may grant specific waivers of the terms of this Lease, but such waivers must be in writing, must describe with specificity the waiver granted thereby and must be signed by the Lessor before being effective.

The acceptance of Ground Rent payments hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, condition, provision, restriction, or reservation of this Lease, other than the failure of Lessee to pay the particular Ground Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Ground Rent payment.

14.6 Lessor's Right to Prosecute or Defend. Lessor shall have the right, but shall be under no duty or obligation, to prosecute or defend, in its own or the Lessee's name, any actions or proceedings appropriate or necessary to the protection of its title to, and Lessee's use and

possession of or interest in the Leased Premises. Whenever requested by Lessor, Lessee shall give Lessor all reasonable aid in any such action or proceeding, in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding.

14.7 Construction. Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

14.8 Captions and Table of Contents. The captions and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms, covenants, conditions, provisions, restrictions, or reservations of this Lease.

14.9 Parties Bound. This Lease sets forth the entire agreement between the parties hereto with respect to the leasing of the Land; it is binding upon and inures to the benefit of Lessor and Lessee, in accordance with the provisions hereof, their respective successors in interest, assigns and personal representatives. This Lease may be altered or amended only by a writing which has been signed by or on behalf of the parties hereto or their legal representatives or, in accordance with the provisions hereof, their successors in interest.

14.10 Governing Law. This Lease shall be interpreted in accordance with and governed by the laws of the Commonwealth of Massachusetts. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against Lessor or Lessee.

14.11 Recording. The parties agree, as an alternative to recordation of this Lease, to execute a so-called Notice of Lease in form recordable and complying with applicable law and reasonably satisfactory to Lessor's and Lessee's attorneys. Any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

IN WITNESS WHEREOF, the parties have executed this Lease, as an instrument under seal, on the day and year first above written.

Witness

LESSOR:
DUDLEY NEIGHBORS INCORPORATED

By:
Its:
Hereunto Duly Authorized

Witness

LESSEE:

COMMONWEALTH OF MASSACHUSETTS

Suffolk County, ss.

On this ____ day of _____, 2003, personally appeared _____, the _____ of Dudley Neighbors Incorporated and ____ did acknowledged the foregoing instrument to the free act and deed of said corporation, before me,

Notary Public
My commission expires:

COMMONWEALTH OF MASSACHUSETTS

Suffolk County, ss

On this ____ day of _____, 2003, personally appeared the aforementioned _____, who acknowledged this instrument to be his free act and deed, before me,

Notary Public
My commission expires:

EXHIBIT PREMISES

Legal Description of Real Property