

TELEPHONE (617) 227-0010
TELECOPIER (617) 227-2630*Masterman, Culbert & Tully LLP**One Lewis Wharf
Boston 02110*

May 19, 2006

Donald M. Greenough, Esquire
79 Depot Square
Post Office Box 790
Ipswich, Massachusetts 01938

Re: Lease

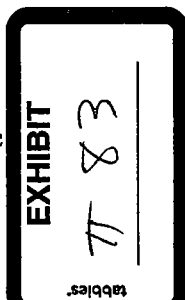
Dear Don:

I have attached a revised, redlined lease (and a clean copy as well) for your review. I thought an explanation as to some of the proposed changes would be helpful.

The proposed sharing of the costs associated with the construction of the wastewater system among the Feoffees and the tenants is based upon the principles of statutory law with respect to sewer assessments and the interpretation of such principles by the courts. The statute contemplates assessing those remotely benefited as well as those immediately benefited by the sewer. As a result, both those who enter the sewer system and those who have the ability to do so, in the future, are assessed. And in order that the assessment be fair, it is not different as applied to lots actually built upon and vacant lots. This is because there is an actual benefit to the land since its value is increased for sale or improvement, in the future.

The other, and yet unresolved, issue concerns the cost of the wastewater system. Our clients have legitimate concerns over the "costs" which the Feoffees assert should be paid by the tenants. As we understand it, they include, but are not limited to, litigation expenses associated with the challenge to the location of the pump-out station. In addition, there is a concern about cost overruns and potential excess charges and, as a result of very recent events, charges associated with reported water infiltration into the tanks (removal, repair, etc.). It is imperative that our clients have a full understanding of the services rendered and goods and materials purchased and the amounts billed with respect to each. Their willingness to share in the costs is limited to reasonable and legitimate costs.

Regarding the rent, the tenants seek to hold the rent stable (subject to relatively modest (1 to 2%, increases) for the next 10 years, based upon the actual or potential increase in value of the land triggered by the sewer system, for which system the tenants are willing to pay on an



Masterman, Culbert & Tully LLP

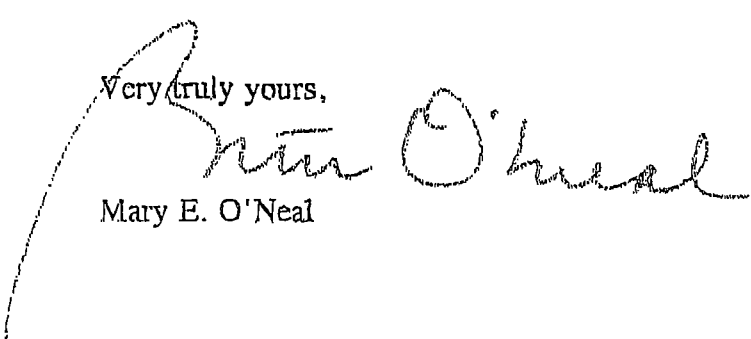
Donald M. Greenough, Esquire
May 19, 2006
Page 2

equalized basis. Doing so also takes into consideration the very real burden to the tenants of having to pay their proportional share of the cost, now. Subsequent to the 10-year period, the tenants would be amenable to a limited (e.g. three to four levels) classification system. However, in order for the lease to be for a term of 20 years (and not merely three, after which the Feoffees propose implementing classification and not merely 10, after which the tenants are amenable to implementing classification), there need to be annual percentage caps on rent increases. Otherwise, the tenants are simply pushing off to year 11 (or year three, in accordance with the Feoffees' proposal) the great, and potentially significant, unknown.

Our clients want to come to terms with the Feoffees and want their relationship to be guided by the principles of good faith and fair dealing. In that spirit, they are requesting a copy of the entire LandVest report, as well as the documentation that reflects contract and cost information, including original estimates and all change orders or extras, relating to the design and construction of the wastewater system. While the excerpts from the LandVest report and the summaries of the wastewater system costs that have been provided are helpful, they do not provide sufficient information to perform an adequate analysis of the classification and cost issues.

Finally, my clients invite counsel and the principals to meet in a prescheduled two-day session in early June to complete work on the lease. Neal and I are happy to accommodate such a meeting here and we have sufficient room to accommodate separate breakout sessions to permit each party and their counsel to confer.

Very truly yours,


Mary E. O'Neal

MEO/afj
Attachments

FEOFFEEES OF THE GRAMMAR SCHOOL
IN THE TOWN OF IPSWICH
LITTLE NECK LEASE - SEASONAL

This Agreement made this _____ day of _____, 2006, by and between the FEOFFEEES OF THE GRAMMAR SCHOOL IN THE TOWN OF IPSWICH (hereinafter referred to as the Landlord or party), whose mailing address is P.O. Box 166, Ipswich, Massachusetts 01938, and _____, whose address is _____, (hereinafter referred to as the Tenant or party) (and collectively, parties).

In consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, the parties hereto agree as follows:

1. LEASED PREMISES. Subject to the terms and conditions contained herein the Landlord leases to the Tenant Lot # _____, being a certain parcel of land located in Ipswich, Massachusetts, at Little Neck ("Little Neck"), also being identified as Parcel _____ on Ipswich Assessor Map 24C (hereinafter referred to as the Lot). The street address for the Lot is _____.
2. USE. The Lot shall be used only between April 1st to December 31st of each year ~~as for~~ a single- family seasonal private dwelling. ~~Subject to the written approval of the Landlord, the~~ and ancillary structures. The Tenant may erect and maintain ~~one the existing~~ single- family private dwelling on the Lot and ancillary structures on the Lot as of Commencement Date (defined in paragraph 3) of this Lease. Replacement, addition to or extension of such existing dwelling and structures shall be governed by paragraph 21(f) below.
3. TERM. This lease ~~Lease~~ shall be for a term of twenty (20) years, commencing at 12:01 a.m. EST on the first day of July 1st, 2006 ("Commencement Date") and ending at 11:59 p.m. EST on the thirtieth day of June, ~~2026-2026;~~ provided, however, that on July 1, 2007 and on each anniversary thereafter, the term of this Lease shall be extended automatically for one additional year. The initial twenty year term of this Lease plus all annual extensions shall be referenced collectively as the "Term".
4. ANNUAL RENT. The Tenant shall pay the Landlord annual rent at the initial rate of \$5,300.00 ~~5,000.00~~ per year. The rent shall be due quarterly and payable in advance ~~beginning~~ four equal installments on the first day of July, 2006. January, April, July and October of each year. The rent shall be adjusted as described in Exhibit A attached hereto. Rent shall be paid to the Landlord at P.O. Box 166, Ipswich, Massachusetts 01938.

5. LATE FEES. Any rent not paid on the date the rent is due shall be assessed a late fee at the rate of fourteen~~seven~~ (14~~7~~%) percent per annum for each month or portion thereof that the rent is latefrom the date due until the date paid.
6. REAL ESTATE TAXES. The Tenant shall pay all real estate taxes assessed by the Ipswich Assessors on the Lot and buildings erected thereon. The Landlord shall use all reasonable efforts, working in conjunction with Little Neck tenants, to secure a direct, individual real estate tax bill for the Tenant from the Town of Ipswich. Until such time individual tax bills are rendered, the Tenant shall pay additional rent to the Landlord in the amount of the real estate taxes attributable to the Lot and the buildings thereon, as determined by the Ipswich Assessors, written notice of which (to include a copy of the Assessors' assessment for the Lot and buildings thereon, if the same is provided to the Landlord by the Assessors) shall be provided by the Landlord to the Tenant at least 30 days prior to the due date. The Landlord, upon written request of the Tenant duly made, shall make and prosecute applications for abatement of the taxes. If, however, the Landlord fails to commence or thereafter diligently continue the prosecution of applications prosecute an application for abatement of taxes within fifteen (15) days of the Tenant's written request to so, or if the Landlord thereafter fails to diligently prosecute the application, then the Tenant shall have the right to prosecute said applications for abatement of taxes in the name of the Landlord or Tenant; provided, however, that the expenses expense of prosecuting such applications shall be borne by the Tenant. At the Tenant's request, the Landlord shall furnish the Tenant with all data and information in the Landlord's possession necessary for the Tenant's application or prosecution of its application. If the Landlord shall receive receives any abatement or refund of said the taxes for any tax year for which the Tenant shall have paid to the Landlord any the amount for said of taxes originally assessed, the Tenant shall be entitled to receive from the Landlord the amount thereof, less, however, the expenses (including reasonable attorney's fees) of the Landlord incurred in obtaining such abatement.
7. UTILITIES.
- (a) Water and Electric. The Tenant shall be responsible for payments of water and electric service charges to the Town of Ipswich. Service Charges. The Tenant shall pay all charges for water, electricity, gas, telephone services, cable television and internet service furnished to the Lot and the structures on the Lot and shall pay all charges for waste water or sewerage disposal incurred in connection with Tenant's use of the Lot and structures on the Lot. All such utilities shall be separately metered to the Lot (with the meter for waste water or sewage disposal measuring the outflow from the Lot) and billed to the Tenant. The Tenant agrees to make payments in connection with such waste water or sewerage disposal charges to LNWS, Inc., or such other entity as Landlord may, from time to time, designate. The Landlord shall be solely responsible to pay all

charges for water, electricity, gas, telephone service, cable television and internet service furnished to Common Areas (defined in paragraph 15) and facilities and structures within Common Areas and shall pay all charges for waste water or sewerage disposal incurred in connection with use of the Common Areas and facilities and structures within the Common Areas.

- (b) Sewer System Assessment. The Tenant shall pay all user fees charged for the use of the sewer system to LNWS, LLC. The Landlord shall assess and the Tenant shall pay all costs the Tenant's Proportionate Share (as defined below) of the actual cost incurred for the construction of the sewer system allocated to the Lot as additional rent.
- (c) ~~Other Utilities.~~ The Tenant shall provide such other utilities to their lot at their own expense. central sewer system at Little Neck ("Cost"). The Tenant's Proportionate Share shall mean the percentage calculated from a fraction, the numerator of which is the total square footage of the Lot and the denominator of which is the total square footage of Little Neck, multiplied by the Cost. The Landlord shall insure that all other tenants at Little Neck pay their Proportionate Share by use of the same formula, except that the numerator shall be the actual square footage of each tenant's lot.

8. ~~PERMITS AND LICENSES.~~ It is understood and agreed that ~~the~~ The Tenant shall obtain all necessary certificates, permits and other approvals required by any federal, state and local authorities necessary to undertake any repair, renovations or improvements renovation or improvement to or to occupy said ~~the~~ Lot or ~~and any~~ building or structure erected thereon.

9. ~~RENEWAL OF LEASE.~~ This Lease does not grant to the Tenant any right to extend the term of the Lease or any right to renew the Lease. The Landlord agrees to provide a right of first refusal to the Tenant to enter into a new Lease for the Lot prior to the expiration of the term. At least one hundred twenty (120) days prior to the expiration of the term, the Landlord shall provide the Tenant with the form of the Lease which the Landlord is then using for new tenancies. The proposed Lease shall include the anticipated rent and other charges as then calculated by the Landlord and imposed on similar leaseholds. The Tenant shall have sixty (60) days to notify the Landlord whether it wishes to enter into the new Lease upon the proposed terms. If the Tenant exercises its right of first refusal, the new Lease shall be executed by the parties at least thirty (30) days prior to the expiration of the then current term and the new Lease shall be effective immediately upon the expiration of this Lease.

9. ~~10. INDEMNIFICATION.~~ During the term Term of the Lease the Tenant, subject to the provisions contained herein, agrees to indemnify, defend and save the Landlord harmless against and from any and all claims, damages, costs, expenses (including the Landlord's reasonable attorney's fees) fines, penalties and other liabilities of any and every kind and nature, to any person or

property on the premises ("Claims"), arising out of the Tenant's use and occupancy of the Lot, including, but not limited to, costs and expenses incurred in connection with any clean-up, remediation removal or restoration work required by any federal, state or local governmental authority because of the presence of any such Hazardous Substance on or about the Lot attributable to the extent the Tenant caused any such environmental occurrence, but ~~there shall be no indemnity for any claim~~ Tenant's use and occupation of the Lot; provided, however, this indemnity shall not include any Claims arising out of or caused by the Landlord's negligence. If any claim or proceeding arising under the preceding sentence is brought, naming the Landlord as a party by reason of any such claim or proceeding, and the claim, proceeding, damage, loss or liability is not caused by the negligent acts of the Landlord, its agent, servants or employees, act or omission, in whole or in part. If any action is brought against the Landlord for Claims for which the Tenant is required to indemnify the Landlord, as provided herein, the Tenant, at its own cost and expense, upon written notice from the Landlord, agrees to undertake forthwith to defend such action or proceeding and hold the Landlord harmless and indemnify the Landlord against any liability thereon which may be asserted or imposed.

For the purposes of this Section ~~paragraph~~, "Hazardous Substance" shall mean waste, substance or other material which may be dangerous to health or the environment, including, without limitation, all "hazardous wastes", "hazardous materials", "hazardous substances", "toxic substances", and "oil", as defined in and/or regulated under the Resources Conservation and Recovery Act of 1976, as amended, M.G.L. c. 21E and/or any other federal, state or local law, regulation or by-law.

10. 41- QUIET ENJOYMENT. The Landlord covenants that the Tenant, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Lot.
11. 42- BREACH OF CONDITION. This Lease is made on condition that (i) if the Tenant should neglect neglects or fail fails to pay the rent due hereunder within fifteen seven (157) days after the rent is due, or and such default shall continue for thirty (30) days after the giving of written notice thereof by the Landlord, or (ii) if the Tenant shall (x) neglect or fail to pay any other amount due to the Landlord under this Lease or, upon the real estate taxes being separately assessed, the real estate taxes assessed on said property the Lot and improvements located thereon in accordance with G.L. c. 59, §2B, or if the Tenant shall (y) neglect or fail to perform or observe any of the terms of any federal, state or local law, by-law or regulation, or (z) materially breach the Rules and Regulations promulgated by the Landlord, and after receipt by the Tenant of such written notice by the landlord the Tenant fails to commence to cure within said sixty (60) days or thereafter fails to diligently prosecute said cure to completion, or (iii) if the leasehold hereby created shall be taken on execution, or by other process of law, and such execution or other process is not satisfied or discharged within thirty (30) days thereafter or prior to a sale under said execution or other process which ever

first occurs, or (iv) if any assignment shall be made of the Tenant's property for the benefit of creditors, or (v) if a receiver, trustee in bankruptcy or similar officer shall be appointed (and if such person is not discharged within ninety (90) days thereafter) to take charge of all or any part of the Tenant's property by a Court of competent jurisdiction, or (vi) if a petition is filed by the Tenant under any bankruptcy law for relief or composition of its debts, or if the Tenant is declared bankrupt, or (vii) if a mortgagee forecloses and/or takes possession of the ~~chattel~~ Tenant's dwelling located upon the Lot then, and in any of said cases, the Landlord lawfully may immediately or at anytime thereafter and without demand or notice enter upon the Lot or any part thereof in the name of the whole and repossess the same, including all fixtures therein and/or annexed thereto, as of the Landlord's former estate and expel the Tenant and those claiming through or under the Tenant and remove its effects without being deemed guilty of any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or proceeding breach of covenants, and upon such entry, may terminate this Lease; and the Tenant covenants in case of such termination to pay and be liable for, on the days originally fixed for the payment thereof, amounts equal to the several installments of rent and other charges reserved as would under the terms of this Lease become due if this Lease had not been terminated or if the Landlord has not entered or reentered as aforesaid, and the Tenant covenants to pay and be liable for all losses and damages suffered by reason of such termination, including, but not limited to, the reasonable costs of legal counsel retained by the Landlord and all expenses of the Landlord for enforcement hereunder. may terminate this lease upon written notice to the Tenant. Upon such termination, the disposition of the Tenant's improvements shall be governed by paragraph 13 below.

12. TENANT'S TERMINATION OF LEASE. The Tenant may terminate this Lease upon 60 days written notice to the Landlord, subject to the Tenant's rights and obligations as provided in paragraph 13.

13. SALE OR REMOVAL OF TENANT'S DWELLING AND STRUCTURES. Upon termination of the Lease, the Tenant shall be permitted the opportunity, for up to 18 months subsequent to the termination of the Lease, to use diligent efforts to sell the Tenant's dwelling, structures and other improvements located on the Lot. The Landlord agrees to cooperate with and assist the Tenant in such efforts. If the Tenant's efforts are unsuccessful, the Tenant shall thereafter be required to remove from the Lot, within six months, any dwelling, structures and other improvements located on the Lot, at the Tenant's expense. Failure of the Tenant to remove the Tenant's dwelling, structures and other improvements shall result in the dwelling, structures and other improvements becoming the property of the Landlord. The Tenant shall pay the Landlord the rent and other amounts due to the Landlord under this Lease during the period through the date of sale, removal or forfeiture of the dwelling, structures and other improvements on the Lot. If the Tenant fails to pay such rent and other amounts due or if the Tenant fails to pay any amounts due to Landlord for the period prior to

termination of the Lease, all such amounts shall be paid to the Landlord from the proceeds of sale and such payment shall be a condition of an assignment of the Lease to the purchaser of the dwelling, structures and improvements. In the event the Tenant removes or forfeits the dwelling, structures and other improvements, the Tenant shall remain liable for all such amounts due and shall, in addition, be liable for the Landlord's reasonable costs of collection, including reasonable attorney's fees.

~~13.~~ 14. ASSIGNMENT OF LEASE AGREEMENT. This Agreement ~~Lease~~ may not be assigned ~~or~~, transferred or bequeathed by the Tenant upon written notice to, but without the written consent ~~of~~ requirement of the assent of, the Landlord except that the Lease may be assigned, to a relative of the Tenant (parent, spouse, child, grandchild, sibling, niece or nephew); ("Relative") of the Tenant or to a trust, limited liability company, corporation or other legal entity owned or controlled by the Tenant or an ~~above-described relative~~ a Relative who shall then be deemed the Tenant under this Lease. The Tenant may sub-lease the Lot to an unrelated party for terms not to exceed one hundred twenty (120) days upon notice to, but without the requirement of the assent of, the Landlord. A purchaser of the Tenant's dwelling, structure, and other improvements shall ~~not~~ be permitted to assume the Lease but shall be required to execute a new Lease for the Lot with the Landlord for a 20-year term in the form then used by the Landlord for similar leaseholds with upon written notice to the Landlord; provided, however, that (a) all amounts due to the Landlord under this Lease through the date of assignment have been paid and (b) the annual rent for the first three years of the Lease at the ~~then~~ following the assignment shall be adjusted to the current annual rent as determined in accordance with Exhibit A.

~~14.~~ 15. COMMON AMENITIES. In addition to the exclusive use and occupancy of the Lot, the Tenant shall have the exclusive right, in common with other Little Neck tenants, to use the beaches, playgrounds, ~~ballfield~~ ball field, dock, community center and other common amenities as currently provided by the Landlord for the enjoyment of the residents of Little Neck. ~~The Landlord shall also provide reasonable security at the entrance to Little Neck during peak weekends to limit access to those legally entitled to the use of the property.~~ Tenant and other Little Neck tenants (collectively, "Common Areas").

16. RIGHT OF FIRST REFUSAL. In the event that at any time during the Term, the Landlord shall receive from any person a Bona Fide Offer (as defined below) to purchase the Lot, and shall desire to sell the Lot pursuant to such Bona Fide Offer, the Landlord shall give written notice of the same to the Tenant, together with a copy of the Bona Fide Offer. Upon the Tenant's receipt of such notice, the Tenant shall then have the right and option to purchase the Lot at the purchase price and upon the other terms set forth in the Bona Fide Offer, and as soon as practicable thereafter to consummate the transaction, provided only that the Tenant exercises such right and option by written notice to the Landlord within 60 days after the

Tenant's receipt of the notice of the Bona Fide Offer. If the Tenant should not, for any reason, exercise the Tenant's option to purchase the Lot as provided above, then the Landlord shall have the right to sell the Lot at the purchase price and upon the terms set forth in the Bona Fide Offer. If the Tenant shall not exercise the Tenant's option to purchase the Lot with respect to any Bona Fide Offer, and if the transaction contemplated pursuant to said Bona Fide Offer shall fail for any reason to be consummated at the purchase price and upon the terms set forth in the Bona Fide Offer, the Tenant's right of first refusal shall once again take effect with respect to such Bona Fide Offer and with respect to any subsequent Bona Fide Offer.

In the event that at any time during the Term, the Landlord shall receive from any person a Bona Fide Offer to purchase the entirety of the real estate owned by the Landlord and known as Little Neck or any portion of the same ("Little Neck"), and shall desire to sell Little Neck pursuant to such Bona Fide Offer, the Landlord shall give written notice of the same to the Tenant and all other tenants (individually and collectively "Offeree Tenants"), together with a copy of the Bona Fide Offer. Upon the receipt of such notice, as many of the Offeree Tenants as shall elect to do so, shall then have the right and option to purchase Little Neck at the purchase price and upon the other terms as set forth in the Bona Fide Offer, and as soon as practicable thereafter to consummate the transaction, provided only that the Offeree Tenants exercise such right and option by written notice to the Landlord within 60 days after the Offeree Tenants' receipt of the notice of the Bona Fide Offer. If the Offeree Tenants should not, for any reason, exercise their option to purchase Little Neck as provided above, then the Landlord shall have the right to sell Little Neck at the purchase price and upon the terms set forth in the Bona Fide Offer. If the Offeree Tenants shall not exercise their option to purchase Little Neck with respect to any Bona Fide Offer, and if the transaction contemplated pursuant to said Bona Fide Offer shall fail for any reason to be consummated at the purchase price and upon the terms set forth in the Bona Fide Offer, the Offeree Tenants' right of first refusal shall once again take effect with respect to such Bona Fide Offer and with respect to any subsequent Bona Fide Offer.

A "Bona Fide Offer" shall mean an offer in writing setting forth all relevant terms and conditions of the proposed purchase from an offeror not related by blood or marriage to the Landlord and who is ready, willing and able to consummate the purchase.

~~15-~~ 17. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested, addressed as follows (or any other address that the party to be notified may have designated by like notice) and shall be deemed received as of the earlier date five days after the date of the postmark or actual receipt hereof.

the Landlord: Feoffees of the Grammar School
P.O. Box 166
Ipswich, MA 01938

Tenant:

~~16.~~ 18. NOTICE OF LEASE. The parties shall execute a Notice of Lease pursuant to Massachusetts General Laws Chapter 183, Section 4, to be recorded at the Essex South District Registry of Deeds by Tenant at its expense and a copy of said Notice of Lease stamped by said Registry shall be returned to the Landlord by the Tenant.

~~17.~~ 19. BINDING EFFECT. This Agreement Lease shall extend to and bind the heirs, personal representatives, successors and assigns of the parties thereof.

~~18.~~ 20. RIGHT OF ENTRY: Tenant agrees that the Landlord, the Landlord's agents and other representatives, shall have the right, without abatement of rent, to enter into and upon the Lot, or any part thereof (but not upon the Tenant's dwelling), upon reasonable notice (except in the event of an emergency) for the purpose of examining the same to ensure compliance with the terms of the Lease, to make such repairs to the Lot as may be necessary for the safety and preservation thereof, provided however that such repairs (unless of an emergency nature) shall be made so as to cause a minimum of interference with the Tenant's use of the Lot.

~~19.~~ 21. TENANT'S COVENANTS. The Tenant covenants, for the term Term of the lease Lease, as follows:

- (a) To pay when due, all rent and taxes, other amounts due to the Landlord at the time and in the manner required as provided in this Lease.
- (b) At the expiration or earlier termination of this Lease to yield up peaceably to the Landlord the Lot in good order, repair and condition and unencumbered.
- ~~(c)~~ At the expiration or earlier termination of the Lease the Tenant shall remove from the Lot any structure or structures, which may be erected thereon by the Tenant or their predecessors, at Tenant's expense. Failure of the Tenant to remove all such termination of the Lease, or such other time as may be mutually agreed upon by the Landlord and the Tenant not to exceed two hundred and forty (240) days from the expiration or termination date of the Lease shall result in the remaining building or structure becoming the property of the Landlord, subject to the provisions of paragraph 13 above.
- (c) ~~(d)~~ To indemnify and hold the Landlord harmless against any mechanics' or other liens arising out of the making of any alterations, repairs, additions or improvements by the Tenant. All such work by the Tenant shall be done in accordance with all requirements of law, including all governmental regulations in a good workmanlike manner, and with materials of good quality.

- (d) ~~(e)~~-To comply with all local, state and federal permits, licenses or certificates.
- (e) ~~(f)~~-That the Tenant will not make or suffer any waste or any unlawful, improper or offensive use of the said premises.
- (f) ~~(g)~~-That the Tenant shall not erect, alter, change, reconstruct or modify any building on the Lot, or use any building for any purpose other than as a single family dwelling or accessory buildings, such as a garage or shed. Prior to any construction, reconstruction, alteration, changes or modifications, as aforesaid to the Tenant's dwelling or accessory buildings costing in excess of \$2500 and prior to the planting of any trees upon the Lot, the Tenant must submit, to the Landlord, ~~thirteen~~ complete sets of plans, to scale, that clearly delineate all such proposed work. All work must be performed in accordance with said plans. No work can be started until the Landlord approves the plans. No construction work, and said plans shall be deemed approved by the Landlord if the Landlord does not expressly and in writing disapprove the plans within 30 days of their submission. No exterior construction work on any building or grounds, shall be conducted or carried on between April ~~June~~ 1st through September 30th, inclusive, in each year, in order to preserve the peaceful enjoyment of the area for Little Neck tenants. The Tenant acknowledges that no reconstruction, addition to or modification of an existing structure on the Lot shall alter or unreasonably interfere with the water views, from the dwelling of any other tenant of Little Neck, existing as of the Commencement Date.
- (g) ~~(h)~~-That the Tenant shall keep (x) the grass cut upon the Lot and will not allow grass and other vegetation to grow in such a manner as to become a fire hazard to any building upon the Lot or any adjacent lots:
- (i) ~~(i)~~ and (y) trees and bushes upon the Lot trimmed so as not to unreasonably interfere with the water views, from the dwelling of any other tenant of Little Neck, existing as of the Commencement Date. The Tenant hereby further covenants and agrees to comply with the Rules and Regulations duly promulgated by the Landlord, as they may be amended from time to time. Notwithstanding the foregoing, said Rules and Regulations shall not be contrary to the terms and provisions of this Lease or otherwise interfere with the Tenant's rights of peaceable and quiet enjoyment.
- (h) ~~(j)~~ The Tenant shall not drill, dig or construct any wells on the Lot. The Tenant shall not drill, dig or construct any wells on the Lot.

22. LANDLORD'S COVENANTS. The Landlord covenants, for the Term of this Lease, as follows:

- (a) The Landlord shall operate, manage, equip, light, maintain, repair and insure under policies providing comprehensive public liability insurance, at the Landlord's expense, all Common Areas (including, but not limited to, roads, curbs, sidewalks, the common beach, common parking areas, the ball field, the dock and the community center) for their intended purposes.

- (b) The Landlord warrants, represents and agrees that the Landlord shall not undertake and the Landlord shall not approve and shall expressly and timely disapprove, any new construction or the planting of trees on Little Neck that unreasonably interferes with the Tenant's water views, from the Tenant's dwelling, existing as of the Commencement Date. The Landlord further agrees to notify the Tenant of any new construction to be undertaken by an abutter to the Lot and any abutter to an abutter to the Lot, by providing a copy of the construction plans to the Tenant within three business days of the Landlord's receipt of said plans. Upon the Tenant's written objection to the construction plans, written notice of which is provided to the Landlord within three business days of the Tenant's receipt of the plans and limited to the asserted unreasonable interference with the Tenant's water views, from the Tenant's dwelling, existing as of the Commencement Date, the Landlord shall not approve and shall expressly and timely disapprove such construction plans until the Landlord is notified, in writing, by the Tenant and the abutter or the abutter to the abutter, that the construction plans as presented or as modified, may be approved or until the Landlord receives written notice of the final disposition, by legal process or arbitration, of the dispute.
- (c) The Landlord shall enforce the obligation of all tenants of Little Neck to keep trees and bushes trimmed so as not to unreasonably interfere with the Tenant's water views, from the Tenant's dwelling, existing as of the Commencement Date.
- (d) Notwithstanding anything to the contrary contained in this Lease, in the event of the damage by casualty or destruction, subsequent to the Commencement Date, of the whole or any part of the Tenant's dwelling, the Landlord shall permit the Tenant to rebuild the Tenant's dwelling to the same size, configuration and location as exists on the commencement date, with and subject to all necessary government approvals.
- (e) The Landlord will provide, at its expense, a police detail or private security personnel at the entrance to Little Neck on Fridays from 4 p.m. until Sundays at 6 p.m. and until Mondays at 6 p.m. on Monday holidays, from July 1 through Labor Day in order to limit access to Little Neck exclusively to the tenants and their invited guests.
- (f) The Landlord shall not impose new Rules and Regulations that are more onerous or less favorable to the tenants without 60 days written notice to the tenants or upon the written objection of 51% or more of the tenants, received by the Landlord within 30 days of the Landlord's written notice to the tenants.
- (g) The Landlord shall not permit and shall not undertake any new construction of any kind upon any lot at Little Neck upon which no buildings or structures exist as of the Commencement Date.
- (h) In the event that the Landlord enters into a lease containing more favorable terms than provided in this Lease, the Landlord shall notify the Tenant in writing, to include a copy of the lease and upon the Tenant's election and written notification of the same to the Landlord, within 30 days of the Landlord's notice to the Tenant, said terms shall be deemed to be a part of this Lease and to the extent that there is a

conflict between the more favorable terms and the provisions of this Lease, the more favorable terms shall apply.

- (i) The Landlord shall consent to a mortgage or other security interest in the Tenant's improvements (dwelling, accessory structures, etc.) as may be sought by the Tenant in connection with the purchase, construction or maintenance of such improvements or the refinancing of the same.
- (j) The Landlord shall pay all real estate taxes assessed on all of the remainder of the Landlord's real estate at Little Neck not leased to any tenant.
- (k) That the Landlord represents and warrants that it is the owner of Little Neck in fee simple, and that it has the authority to enter into this Lease and that upon doing so, the Tenant shall have all rights and benefits as provided in this Lease.

23. ALTERNATIVE DISPUTE RESOLUTION. The Landlord and the Tenant hereby covenant, stipulate and agree that in the event of any dispute or claim arising out of the terms, provisions and conditions of this Lease and, more particularly, with respect to the interpretation of the same, such disputes or claims shall be submitted to binding arbitration under the auspices of the American Arbitration Association ("AAA") in Boston, Massachusetts in accordance with the dispute resolution rules of the AAA, including, but not limited to, the rules and procedures applicable to the selection of arbitrators, except that the arbitrator shall apply the law as established by decisions of the Massachusetts Supreme Judicial Court and the Massachusetts Appeals Court in deciding the merits of claims and defenses. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The Landlord and the Tenant covenant that they will participate in the arbitration in good faith and that they will share equally its costs except as otherwise provided herein. The provisions of this paragraph shall be enforceable in any court of competent jurisdiction, and the parties shall bear their own costs in the event of any proceeding to enforce this paragraph except as otherwise provided herein. The arbitrator may, in his or her discretion, assess costs and expenses (including the reasonable legal fees) of the prevailing party against the other party. Any party unsuccessfully refusing to comply with an order of the arbitrator shall be liable for costs and expenses, including attorney's fees, incurred by the other party in enforcing the award.

Notwithstanding the foregoing, it is specifically understood and agreed that if a breach of the provisions of this Lease will result in irreparable injury, in addition to any other remedy a party may have, such party shall be entitled to enforce the specific performance of this Lease by and to seek both temporary and permanent injunctive relief without the necessity of proving actual damages and prior to submission of the claim to arbitration.

24. SUBORDINATION. Subject to the Tenant's receipt of a reasonable subordination and nondisturbance agreement, this Lease, and all rights of the Tenant hereunder, are and shall be subject and subordinate in all respects to all mortgages given by the Landlord which may now or hereafter affect Little Neck ("Superior Mortgages"), to each and every

advance made or hereafter to be made under the Superior Mortgages, and to all renewals, modifications, replacements and extensions of the Superior Mortgages. In confirmation of such subordination, the Tenant shall timely execute and deliver any instrument, in recordable form, if required, to the holder of any Superior Mortgages or any of their respective successors in interest as may be requested to evidence such subordination.

~~20.~~ 25. COMPLETE AGREEMENT. This Agreement Lease contains all the agreements, promises and understandings between the Landlord and the Tenant and no oral agreements, promises or understandings shall be binding upon either the Landlord or the Tenant in any dispute, controversy or proceeding at law, and any addition, variation or modification to the Agreement Lease shall be void and ineffective unless made in writing and signed by the parties hereto.

~~21.~~ 26. LAW GOVERNING. This Agreement Lease and the performance thereof shall be governed, interpreted, construed and regulated by the laws of the Commonwealth of Massachusetts.

In witness whereof, the parties hereto have set their hands and affixed their respective seals the day and year first above written.

Tenant

Feoffees of the Grammar School
In the Town of Ipswich,
By:

Its: _____

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

On this _____ day of _____, 2006, before me, the undersigned notary public, personally appeared _____, Tenant(s), proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name(s) is/are signed on the preceding document, and acknowledged to me that he/she/they signed it voluntarily for its stated purpose.

NOTARY PUBLIC

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

On this ____ day of _____, 2006, before me, the undersigned notary public, personally appeared _____ proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose on behalf of the Feoffees of the Grammar School in the Town of Ipswich.

NOTARY PUBLIC

EXHIBIT A

RENT PAYMENTS

~~A.1. The annual rent for the first three (3) years, due to the Landlord shall be as follows, payable in advance in quarterly installments during the term of this Lease:~~

<u>Year</u>	<u>Annual Rent</u>	<u>Installment</u>
2006-7	\$5,000.00	\$1,250.00
2007-8	\$5,300.00	\$1,325.00
2008-9	\$5,600.00	\$1,400.00

~~A.2. The annual rent for the Lot shall be adjusted every three (3) years.~~

~~A.3. Beginning on July 1, 2009, each of the 143 lots leased for seasonal use at Little Neck will be assigned to one of not more than ten (10) classes to be established by the Landlord for the purpose of more accurately basing the annual rent on the relative values of the lots. On or before June 30, 2008, the Landlord shall provide the Tenant with a schedule identifying each of the lots by parcel number, street address and rental class. On or before December 31, 2008, the Landlord shall notify the Tenant of the annual rent for the Lot to be due to the Landlord for the period of July 1, 2009, through June 30, 2012. The annual rent shall be established by the Landlord based upon the recommendation of qualified professional advisors retained by the Landlord to reflect changes in general economic circumstances and circumstances specifically affecting Little Neck after January 1, 2006.~~

~~A.4. The annual rent for July 1, 2012, through June 30, 2015, shall be adjusted by the Landlord as necessary to reflect changes in general economic circumstances and circumstances specifically affecting Little Neck after July 1, 2008, as recommended by qualified professional advisors retained by the Landlord. The Tenant shall be notified of any change in the annual rent at least ninety (90) days prior to the effective date of such change.~~

~~A.5. For each subsequent three year period, the annual rent shall be adjusted in the manner described in Paragraph 4, above.~~

~~A.6. The rent described in this Exhibit A does not include the Tenant's payments described in Sections 6 or 7(b) of the Lease.~~