

KNICK KNACKS #2, Inc.
2801E. Division #115
Arlington, TX 76011
817-608-9815

LEASE AGREEMENT

This Lease Agreement is made and entered into by and between Knick Knacks #2, Inc., hereinafter referred to as "Landlord" and _____, hereinafter referred to as "Tenant".

1. Landlord, in consideration of the covenants and agreements to be performed by Tenant and upon the terms and conditions hereinafter stated, does hereby lease unto Tenant space in Knick Knacks #2, Inc., such space being identified as _____.

2. This Lease Agreement is for a term of _____ months beginning on the _____ day of _____, 20_____.

3. Tenants must occupy their booths within 10 days of the lease commencement date or their booth may be relet. There will be no refund of any monies upon Tenant's failure to occupy and Landlord's reletting of the booth.

4. Tenant agrees to pay Landlord the first month(s) rent and security deposit totaling \$ _____, and monthly rental of \$ _____ per month thereafter. Monthly payments shall be due and payable on or before the 1st calendar day of the month. In the event that payment is not received by the 5th calendar day of the month, a late fee of \$20.00 will be assessed to Tenant. Landlord further reserves the right to withhold settlement checks from Tenant until payments are brought current. In the event that payment is not received by the 10th calendar day of the month, Tenant will be considered in default of the terms and conditions of this Lease.

5. All sales are required to go through Landlord's cash registers. Landlord agrees to accept major credit cards for payment. Personal checks will be accepted with proper identification. Landlord agrees to collect and pay all state sales taxes. Tenant understands that 8% of gross sales will be deducted to offset credit card and check processing costs.

6. Each month contains, (2), pay-periods. Pay periods are as follows:

Pay-period 1 is the period from the 1st through the 15th of the month:

Pay-period 2 is the period from the 16th through the end of the month.

Landlord agrees to pay to Tenant all amounts collected for sale of Tenant's items, less deductions, on the 3rd business day following the close of the pay-period. Only one check per booth contract will be issued.

7. Landlord reserves the right to utilize photographs, videos, drawings, etc. of Tenant's merchandise, booth and name in advertisements, and Tenant hereby authorizes same.

8. Landlord agrees to promote the Mall through various advertising methods.

9. Mall will be open to the public 7 days a week except for certain holidays to be determined by Landlord. Hours of operation are Monday through Wednesday 10:00 a.m. to 6:00 p.m., Thursday 10:00 a.m. to 8:00 p.m., Friday and Saturday 10:00 to 6:00 p.m., and Sunday 12:00 p.m. to 5:00 p.m. Landlord reserves the right to change these hours and days of operation without notice.

10. Tenant shall maintain the Leased Premises in a clean, safe and orderly manner. Tenant is responsible for the decoration of booth. Such decoration may include painting, wallpaper or wallpaper border. Written approval of Landlord is required for all changes.

11. The Mall is to be used exclusively as a showroom and salesroom for handmade crafts, art, antiques and gifts. Landlord retains the right to remove and item(s) from Tenant's space that Landlord judges to be non-

conforming to the general atmosphere of the Mall, in order that Landlord can protect the integrity of the Mall. All reproduction items in antique booths must be labeled "reproduction".

12. Handmade crafts may be sold from any booth in this Mall. Antiques and collectibles will be permitted for sale only in booths of 24 square feet or larger. A limited number of booths have been leased for selling "resale" items. Resale items will be permitted only in booths originally leased as a "resale" booth. *"Resale", for the purpose of this contract, means items purchased through catalogues, imports, market items, or other stores to sell at Knick Knacks*

ONLY: (Check appropriate spaces)

_____ CRAFTS _____ ANTIQUES AND COLLECTIBLES _____ (Tenant's initials).

13. If Tenant uses lighting in their booth, a timer must be used to operate with store hours. If tenant does not comply, a fee of \$100.00 per month will be added to the rent.

14. Any sign in booths must first be approved by Landlord.

15. All merchandise tags shall be marked according to the instructions below. No marked-over or altered tags will be accepted.

Booth #	Description	\$ Price
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16. Neither Landlord nor Building Owner, shall be liable to Tenant for any damage to person or property caused by an act, omission or neglect of Tenant, Landlord, Shopper or other Tenant of the building of which the Leased Premises are a part, due to any cause whatsoever and Tenant agrees to indemnify and hold Landlord and Building Owner free and harmless from all claims.

17. Tenant is responsible for all fire damage, theft and other damages to Tenant's property located within the mall. Landlord nor building owner assume any risk for damage, theft, mysterious disappearance, or any other harm to Tenant's property within the mall. (Contact your insurance provider for any coverage you feel you need).

18. In the event Tenant shall fail to promptly pay rent when same is due or violate or omit to perform any provision of this Lease, Tenant shall be in default and Landlord shall be entitled to, and Tenant hereby authorizes Landlord to immediately deduct all amounts due to Landlord from Tenant's check and/or hold back Tenant's checks. Additionally, Landlord may sell Tenant's merchandise to recover amounts owed to Landlord. Landlord may take possession of the leased premises and remove all property therefrom. Upon default, Landlord may elect to either cancel this Lease or relet the Leased Premises, and apply rent received to Tenant's account, but Tenant shall remain liable for any deficiency and all expenses of reletting. No action by Landlord shall be deemed an election to terminate this lease unless Landlord notifies Tenant in writing of same.

19. Tenant shall pay to Landlord upon demand, all legal fees, expenses and court costs of Landlord incurred enforcing any obligations of Tenant under this Lease.

20. All property left in the Mall by Tenant upon termination hereof shall be deemed to be abandoned by Tenant to Landlord and Landlord is authorized to sell same without further notice to Tenant.

21. All move-in and move-out activities must be monitored by Mall security. ***Tenant must give Landlord a minimum of 30 days written notice of their intent to vacate their booth at the end of the Lease term. Failure to give such notice will result in continual automatic renewals of this Lease, for the term of the Lease.*** Landlord reserves the right not to renew this Lease and will notify Tenant 30 days before this Lease expires. If Tenant should fail to give the required notice of intention to vacate at

the end of the Lease term, then the Deposit may be retained by the Landlord as liquidated damages for Tenant's failure to give such notice, (without prejudice to or waiver by Landlord of any other remedy of Landlord for any other breach or default by Tenant hereunder), and shall not be applied to Tenant's obligation for rent. Upon proper written notice to Landlord, and provided Tenant is not in default under any other term or provision of this Lease. Landlord shall return the Deposit to Tenant within 10 days after termination of this Lease.

22. Tenant shall not perform any acts or carry on any practices which may injure the building or be a nuisance to other Tenants, or use the Leased Premises for any business of purpose which is unlawful or violates any public, county, city, state, or federal ordinances. The Tenant will not use the booth to manufacture or repair items. Tenant shall under no circumstances sublease or assign it's interest under this Lease without Landlord's prior consent. All partnerships, co-op partners, or shared booth partners must be listed on the Lease, and are jointly and severally liable hereunder.

ENTERED into this _____ day of _____, 20 ____.

LANDLORD:

KNICK KNACKS #2, INC.
2801E. Division #115
Arlington, TX 76011

BY: _____

TITLE: _____

TENANT:

SIGNATURE

NAME

(H) _____

(W) _____

(Fax) _____

TELEPHONE NUMBER(s)

ADDRESS

SOCIAL SECURITY NUMBER

CITY, STATE, ZIP CODE

DRIVER'S LICENSE NUMBER

TENANT:

SIGNATURE

NAME

(H) _____

(W) _____

(Fax) _____

TELEPHONE NUMBER(s)

ADDRESS

SOCIAL SECURITY NUMBER

CITY, STATE, ZIP CODE

DRIVER'S LICENSE NUMBER