

RESIDENTIAL LEASE AGREEMENT

This Lease Agreement, is made and entered into this ___ day of _____, 20___, by and between the University of Maine System, acting by and through the University of _____, (hereinafter the "Lessor") and _____ (hereinafter the "Lessee").

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Premises. Lessor hereby leases to Lessee, and Lessee rents and takes from Lessor, the land, building(s) and improvements located at _____, _____, Maine _____, and further described in Attachment A, (the "Premises"), which Attachment is appended to, and by this reference, incorporated into this Lease.

2. Term. The term of this Lease shall be for a period of approximately 1 year, beginning on the date of the closing of the sale of the Premises from Lessee to Lessor and ending on _____, 20__.

3. Governing Law; Forum. This Lease shall be governed by and construed under the laws of the State of Maine, without regard to its choice of law provisions. Maine shall be the forum for any lawsuits or claims arising under this Lease or incident hereto.

4. Rent. Lessee shall not be required to pay rent to Lessor. The consideration for this Lease is a reduction in the purchase price of the Premises to be paid by the Lessor to the Lessee under the Purchase and Sale Agreement between the parties dated _____, 20__.

5. Use of the Premises. Lessee will use and occupy the premises solely for the purpose of a private residence. Use for any other purpose is prohibited without first obtaining the written consent of Lessor therefor. The Lessee shall not lease or allow occupancy of the Premises by non-family members.

6. Condition of Premises and Repairs; Surrender. At the expiration of the term of this Lease, or any renewal or extension thereof, Lessee will yield up peaceably the Premises to Lessor in as good order and condition as when the same were entered upon by Lessee, loss by fire or inevitable accident, damage by the elements, and reasonable use and wear excepted. Lessee shall deliver possession of the Premises to the Lessor free and clear of all tenancies and occupancies by any person no later than _____, 20__.

7. Alterations, Additions and Improvements. Lessee shall not make, or suffer or permit to be made, any alterations, additions or improvements in or about the Premises without first obtaining the written consent of Lessor therefor; provided, however, that such consent, if given, will be subject to the express condition that any and all alterations, additions and improvements shall be done at Lessee's own expense, and that no liens of mechanics, material men, laborers, architects, artisans, contractors, subcontractors, or any other lien of any kind shall be created against or imposed upon the Premises, or any part thereof.

8. Service to the Premises. Where a checkmark is placed in the box of the column under a party

below, it is that party's responsibility to pay for those services to the Premises.

Lessor /Lessee

- Water
- Sewer
- Refuse Removal
- Fuel
- Electricity
- Heating and Cooling Systems
- Maintenance and Upkeep
- Carpeting
- Lighting Fixtures
- Telephone Installation, Service, Billing and Long Distance Charges
- Cable Television
- Snow Removal
- Real Estate Taxes

Lessee shall furnish and pay for any other services or supplies it desires for which responsibility is not designated above.

9. Lessor's Right of Entry. Lessor shall have the right, upon reasonable notice, to enter upon the Premises to inspect the same and to make any and all improvements, alterations and additions of any kind upon the Premises.

10. Insurance. During the term of this Lease and any extension thereof, Lessee shall maintain insurance coverage for its personal property in an amount not less than the replacement value of that property, _____ dollars(\$_____) and comprehensive liability insurance in an amount not less than one million dollars (\$1,000,000).

During the term of this Lease and any extension thereof, Lessor shall obtain at its own expense public liability insurance in the amount of one million dollars (\$1,000,000) per occurrence for personal injury and/or death, one million dollars (\$1,000,000) per occurrence for personal property damage, and an all risk policy with building replacement cost coverage.

11. Assignment and Subletting. This Lease shall not be assigned, subleased, encumbered or mortgaged in whole or in part by Lessee without the written consent of Lessor, or by Lessor without written notice to Lessee.

12. Holding Over. Lessee's holding over or continued use or occupancy after expiration or termination of this Lease, shall be construed as a tenancy from month to month and subject of the same conditions set forth in this Lease.

13. Condemnation. In the event the Premises, or any part thereof, are taken, damaged consequentially or otherwise, or condemned by public authority, this Lease shall terminate as to the part so taken, and Lessee shall have the option within 30 days after assessing the amount of damage and amount of usable space, to either continue with the Lease, or choose to terminate the Lease without further obligation of either party. Any damages and payments resulting from any public authority taking, damaging or condemnation of the Premises shall accrue to and belong to Lessor, and Lessee shall have no right to any part thereof.

14. Destruction. If at any time during the term of this Lease, or any extension thereof, the Premises shall be totally or partially destroyed by fire, earthquake, or other calamity, then this Lease shall terminate as to the part so destroyed, and Lessee shall have the option within 30 days after assessing the amount of damage and amount of usable space, to either continue with the Lease, or choose to terminate the Lease without further obligation of either party. In case, however, Lessee chooses to remain in the Premises but Lessor elects not to rebuild or repair said Premises, Lessor shall so notify Lessee by written notice within the period of 30 days after the damaging event, and thereupon this Lease shall terminate without further obligation by Lessee or Lessor.

15. Termination. In the event Lessee fails to meet any of its obligations as required by the terms of this Lease, Lessor, after providing thirty (30) days' written notice and an opportunity for Lessee to remedy the situation, shall have the right in accordance with applicable law to terminate this Lease.

Lessee shall have the right to terminate this Lease without further obligation in the event Lessor breaches any term or covenant of this Lease and after thirty (30) days' written notice fails to rectify such breach.

16. Default. Lessor shall, on default with respect to any of the provisions of this Lease by Lessee, provide Lessee with a written notice of any breach of the Lease terms or conditions and Lessee shall then have 30 days either to correct the condition, or commence corrective action if the condition cannot be corrected in 30 days. If the condition cannot be corrected in 30 days, Lessee shall have a reasonable time to complete the correction. Lessor may elect to enforce the terms and conditions of the Lease by any other method available under the law.

17. Waiver. The failure of either party to exercise any of its rights under this Lease for a breach thereof shall not be deemed to be a waiver of such rights, nor shall the same be deemed to be a waiver of any subsequent breach, either of the same provision or otherwise.

18. Binding on Heirs, Successors, and Assigns. This Lease shall be binding upon and inure to the benefit of the successors, personal representatives, and permitted assigns of Lessor and Lessee.

19. Entire Agreement. This Lease (and its attachments if any) constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes any and all prior understandings and agreements, oral and written, relating hereto, except for the Purchase and Sale Agreement between the parties dated _____, 20___. Any amendment hereof must be in writing and signed by both parties.

20. Notice. Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the day of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; (iii) on the actual delivery date if deposited with an overnight courier; or (iv) on the date sent by facsimile, if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a party may provide notice of in accordance with this section:

To Lessee: _____

To Lessor: _____

21.0 Lessor's Covenants. Lessor agrees to maintain the Premises in a condition fit for their intended use, make all necessary repairs of which Lessor is or becomes aware, including adequate heat and water and a sound physical structure.

22. Access. Lessee has the right of reasonable ingress and egress to the leased Premises.

23. Quiet Enjoyment. On payment of utilities and performance of the covenants and agreements on the part of Lessee to be paid and performed hereunder, Lessee shall peaceably have and enjoy the leased Premises and all of the rights, privileges and appurtenances granted by this Lease.

24. Severability. In the event one or more clauses of this Lease are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of this Lease.

25. Indemnification. Lessee agrees to indemnify, defend and hold Lessor harmless from and against any and all claims, lawsuits, judgments, damages and expenses, including reasonable attorney's fees, that Lessor may become liable to pay or defend as the result of the negligent acts or omissions of Lessee, its employees, agents, guests, invitees or licensees, arising out of or in connection with the leasing of the Premises pursuant to this Lease.

26. Force Majeure. Neither party to this Lease shall be liable for non-performance of any obligation under this Lease if such non-performance is caused by a Force Majeure. "Force Majeure" means an unforeseeable cause beyond the control of and without the negligence of the party claiming Force Majeure, including, but not limited to, fire, flood, other severe weather, acts of God, labor strikes, interruption of utility services, war, acts of terrorism, and other unforeseeable accidents.

IN WITNESS WHEREOF, the authorized representative of the parties have executed this Lease Agreement on this ____ day of _____, 2004.

LESSEE:

LESSOR: University of Maine System

By _____

Name _____

Title _____