

**COMMERCIAL LEASE AGREEMENT WITH  
*I LIHESLATURAN GUÁHAN***

This Lease is entered into by and between Dolores N. Perez

("LANDLORD"), whose address is PO Box 4537, Hagatna, Guam 96932, and *I LIHESLATURAN GUÁHAN* ("the Guam Legislature" or "TENANT"), whose address is 155 Hesler Street, Hagatna, Guam 96910.

1. **CONSIDERATION.** In consideration of the mutual covenants herein, and the rental to be paid, and the conditions to be kept and performed, Landlord hereby leases to Tenant and Tenant hereby rents from Landlord the "Premises" designated as:

**197 Hernan Cortes, Avenue, Suite A-1 & Suite B-1**

**Hagatna, Guam**

including the right to use the common area designated by Landlord such as halls, stairs, parking, elevators, restrooms, mall and other public parts of the building property.

2. **TERM.** The term of this Lease shall be for a term of twenty-four months, commencing on January 3, 2005, and expiring on midnight, December 31, 2006, unless otherwise earlier terminated by Tenant by giving thirty (30) days advanced, written notice to Landlord. Lease may be extended for an additional term of 24 months commencing on January 1, 2007, and expiring on midnight, January 4, 2009, upon tenant's giving tentative notice to the Landlord of the extension no later than December 1, 2006, which extension shall be subject to confirmation by separate lease agreement with *I Liheslaturan Guahan* after January 1, 2007. The rent for the additional term shall be the sum of six hundred sixty four dollars (\$664.00) per month.

GUAM LEGISLATURE  
FISCAL OFFICE

JAN 19 2005

TIME 9:10 AM  
RECEIVED BY: *[Signature]*

3. **USE.** The Premises shall be used and occupied for the following:

**The offices of Senator Robert Klitzkie**

4. **WASTE.** Tenant shall *not* commit or suffer to be committed any waste upon the Premises or any public or private nuisance. Neither Tenant nor Landlord shall use, or permit the premises or building to be used in whole or in part, for any purpose or use that is deemed to be in violation of any of the laws, ordinances, regulations or rules of Guam.

5. **CONSIDERATION.** Tenant shall, for the term of this Lease, pay to Landlord as rent in advance on the first day of each calendar month beginning January 3, 2005, the sum of **six hundred sixty four dollars ( \$664.00)** in lawful money of the United States. The rent shall be paid at the address set out in this Lease. *If* the date of commencement or expiration of the term of this Lease occurs on a day other than the first day of a calendar month, the rent for that month shall be a prorated portion of that month's full rent.

6. **UTILITIES.** All utilities for the Premises described in paragraph 1, above, shall be paid for by the Tenant.

7. **IMPROVEMENT(S).** All installations, alterations, additions or improvements ("Improvements") made by or for the Tenant in the Premises, both before the signing of this Lease and thereafter, shall, at Tenant's option, be removed by the Tenant so long as the area from which the Improvement is removed is placed back into the same condition as the beginning of the Lease term, reasonable wear and tear excepted. Landlord may also require that Tenant remove the Improvement(s). Tenant shall remove the Improvements) within a reasonable amount of time, depending upon the type of Improvement(s) being removed provided, however, that the Tenant shall continue to pay rent during renovation. Improvements shall include fixtures.

8. **MAINTENANCE.** Tenant agrees that the Premises are in reasonably good condition. Tenant shall keep the Premises in reasonably good order, condition and repair, including all fixtures and equipment installed by Tenant. In the event that Tenant fails to maintain the Premises in good order and repair, Landlord shall give Tenant notice and a reasonable time to make such repairs.

Landlord agrees to keep the structure and common areas in reasonably good condition.

9. **RESTORATION.** Upon termination of the Lease, Tenant shall not be required to restore the Premises in any particular layout nor to restore the Premises to its original condition.

Tenant, upon the termination of this Lease or the expiration of the term hereby, shall quit and surrender the Premises in good order, condition and repair, reasonable wear and tear excepted. Upon the termination of this Lease or the expiration of the term, Landlord shall have the option to require Tenant to remove from the Premises, at Tenant's expense, all or part of the Improvements placed on the Premises by Tenant, with the Premises thereafter to be restored to reasonable good condition at the expense of the Tenant.

10. **ALTERATIONS.** Tenant shall not make, or permit to be made, any alterations, changes in or additions to the Premises without the prior written consent of Landlord, except the Landlord hereby consents to those alterations necessary to make the Premises suitable for legislative office use. Alterations which can be removed without damage to the premises remain the property of the tenant.

11. **REASONABLE RULES.** For the care, protection, cleanliness and proper operation of the building and all the Tenants in the building, the Tenant and Tenant's agents, servants and employees, visitors and licensees shall comply with all reasonable rules adopted by Landlord. However, Tenant shall not be required to pay any additional monies. Landlord shall maintain a copy of such rules in the office of Landlord for inspection by Tenant at any reasonable time. Landlord shall provide Tenant a copy of such rules and regulations upon request.

12. **DESTRUCTION.** In the event of damage causing a partial destruction of the Premises during the term of this Lease from any cause, and in the sole judgment of Landlord repairs can be completed within ninety (90) days from the date of the damage under the applicable laws, and regulations of governmental authorities, Landlord shall repair said damage within a reasonable time, but such partial destruction shall not otherwise void this Lease, except that Tenant, while such repairs are being made, shall be entitled to a proportionate reduction of minimum rent based upon the extent which the portion of the Premises not usable by Tenant bears to the total area of the Premises.

*If* such repair cannot, in the sole judgment of the Landlord, be made in ninety (90) days, Landlord may, at its option, make the repairs within a reasonable time, this Lease continuing in full force and effect and the minimum rent to be proportionally rebated as provided in the previous Paragraph. In the event that Landlord does not elect to make such repairs which cannot be made in ninety (90) days, or such repairs cannot be made under such laws and regulations, this Lease may be terminated at the option of either party.

In the event that the building in which the Premises are situated is destroyed to the extent of thirty-three and one-third percent (33-1/3%) or more to the then replacement cost thereof, the Landlord may elect to terminate this Lease, whether the Premises are injured or not.

A total destruction of the Premises or of the building in which the Premises are located shall terminate this Lease.

**13. NO ASSIGNMENT, SUBLETTING OR DELEGATION.** Tenant shall not assign this Lease or any rights hereunder, voluntarily or by operation of law, nor sublet the Premises or any part thereof, without the prior written consent of Landlord. Landlord shall not assign its right to lease payments, nor delegate its duties under this lease without the prior written consent of Tenant. Any delegation shall permit Tenant the right to *immediately* terminate this Lease.

**14. SUCCESSION.** All of the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors and administrators, successors and assigns, except that nothing in this provision shall be deemed to permit any assignment, subletting, delegation of duties or use of the Premises other than as provided herein.

**15. EMINENT DOMAIN.** If the whole or any part of the Premises shall be taken for public or quasi-public use by right of eminent domain, with or without litigation, or transferred by agreement in connection with such public or quasi-public use, this Lease, as to the part so taken or condemned or transferred, shall terminate as of the date title shall vest in the condemnor or transferee, and the minimum rent payable hereunder shall be adjusted so the Tenant shall be required to pay for the remainder of the term only such portion of the minimum rent as the area in the part remaining after the taking or condemnation bears to the area of the entire Premises as of the date title shall vest in the condemnor or transferee.

In the event of such taking or condemnation by judgment verdict or agreement, Landlord shall have the option to terminate this Lease as of said date, or if all of the Premises shall be so taken or condemned or such part thereof be so taken or condemned so that there does not remain a portion susceptible of occupation hereunder, this Lease shall thereupon terminate.

All compensation awarded upon such condemnation or taking shall go to the Landlord, and except for any award reimbursing the Tenant for moving or relocation expenses or for Tenant's trade fixtures of the unamortized value of Tenant's improvements in the leased Premises, to the extent separately stated in the award, they are expressly reserved to Landlord all

rights to compensation and damages created or accrued by reason of any such taking or condemnation.

16. **DEFAULT.** Each of the following events shall be a default hereunder by the Tenant and a breach of this Lease:

(a) *If* the Tenant shall default in the payment of any installment of basic rent on any day upon which the same ought to be paid, and shall not make such payment within fifteen (15) days after written notice thereof by the Landlord to the Tenant.

(b) *If* the Tenant shall do, or permit anything to be done, whether by action or inaction, contrary to any covenant or agreement on the part of the Tenant herein contained or contrary to any of the covenants, agreements, terms or provisions of this Lease, or shall fail in the keeping or performance of any of the covenants, agreements, terms or provisions contained in this Lease which, on the part of behalf of the Tenant, are to be kept or performed, other than those referred to in the foregoing Paragraph (a) of this provision, and the Tenant shall fail to commence to take steps to remedy the same within thirty (30) days after the Landlord shall have given to the Tenant a written notice specifying the same, or having so commenced shall thereafter fail to proceed diligently to remedy the same.

Upon the occurrence of any such default the Landlord at any time thereafter may give written notice to the Tenant specifying such default or defaults and stating that this Lease and the term hereby demised shall expire and terminate on the date specified in such notice, which shall be at least five (5) days after the giving of such notice, and upon the date specified in such notice this Lease and the term hereby demised and all rights of the Tenant under this Lease shall expire and terminate as fully and completely as if such date were the date herein specifically fixed for the expiration of the term of this Lease, but the Tenant shall remain liable as provided hereunder.

17. **NON-WAIVER OF LAW.** Nothing in this Lease shall be construed to limit Landlord's or Tenant's rights under the laws of Guam, including but not limited to the unlawful detainer statutes contained in Title 21 of the Guam Code Annotated.

18. **ENTRY** Landlord and its agents shall have the right at any reasonable time to enter upon the Premises so long as it does not unreasonably interfere with the business activities of Tenant on the Premises, for the purpose of inspection; serving or posting notices; maintaining the Premises; or making any necessary repairs, alterations or additions to any portion of the Premises. Landlord shall give Tenant advance reasonable notice of its intended entry.

19. **NON-WAIVER.** No covenant, term or condition or the breach thereof shall be deemed waived by either party, except by written consent of the other party, and any waiver or the breach of any covenant, term or condition shall not be deemed to be a waiver of any proceeding or succeeding breach of the same or any other covenant, term or condition. Acceptance or payment of all or any portion of rent at any time shall not be deemed to be a waiver of any covenant, term or condition, except as to the rent payment accepted or paid.

20. **NOTICE.** All notices or demands of any kind required or desired to be given by Landlord or Tenant hereunder shall be in writing and shall be deemed delivered twenty-four (24) hours after depositing the notice or demand in the United States mail, postage prepaid, addressed to Tenant at the I Liheslaturan Guåhan's address above, whether or not Tenant has departed there from, abandoned or vacated the premises, and as to the Landlord at the address designated above, or such other address as shall be designated in writing by either party in compliance with the provisions of this Paragraph.

21. **APPLICATION OF LAW.** This Lease shall be governed and interpreted by the laws of Guam then in force. Both Landlord and Tenant shall comply with all laws of Guam. Landlord shall be responsible for the building and the Premises' compliance with the Americans with Disabilities Act.

22. **CONSTRUCTION OF LEASE.** Each number, singular or plural, as used in this Lease shall include all numbers, and each gender shall be deemed to include all genders.

23. **SEVERABILITY.** *If for* any reason whatsoever any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect. The provisions of this writing constitute, and are intended to constitute, the entire agreement of the parties to this Lease. No terms, conditions, warranties, promises or understandings of any nature whatsoever, express or implied, exist between the parties, except as herein expressly set forth.

24. **AVAILABILITY OF FUNDING.** This Lease is expressly subject to the availability of funds appropriated and allocated by I Liheslaturan Guåhan ("Guam Legislature"), or the appropriate Legislative Committee. Tenant shall exert best efforts to insure that funding for the Lease is available. In the event that funds are not appropriated to sustain any portion of this Lease, the Lease shall be deemed *immediately* terminated.

25. **REMEDIES OF PARTIES CUMULATIVE.** The remedies given to the Parties in this Lease shall be cumulative, and the exercise of any one (1) remedy by either Party shall not be to the exclusion of any other remedy.

26. **HOLDING OVER OF PREMISES.** Any holding over after the expiration of the term of this Lease with the express or implied consent of Landlord shall create a tenancy from month to month only and shall otherwise be on the same terms and conditions herein specified, so far as applicable. Notwithstanding the foregoing, if Landlord desires to regain possession of the leased premise promptly after the termination or expiration thereof, Landlord may, at Landlord's option forthwith, re-enter and take possession of the Leased Premises or any part thereof by any legal process.

27. **ENTIRE AGREEMENT.** This Lease constitutes the entire agreement between the parties hereto and supersedes all oral or written agreements and understandings made and entered into by the parties prior to the date hereof. *Except* as otherwise provided herein, no subsequent alteration, amendment, change or addition to this Agreement, shall be binding upon the parties unless reduced to a writing signed by each of them.

**EXECUTION**

Dated this 17<sup>th</sup> day of January, 2005, in Hagatna, Guam.

**LANDLORD:**

Dolores W. Perez  
John P. J. Attorney in Fact  
**LANDLORD**

1.17.05  
DATE


**I LIHESLATURAN GUÅHAN:**

[Signature]  
**AUTHORIZING SENATOR**  
*Senator Robert Klitzkie*

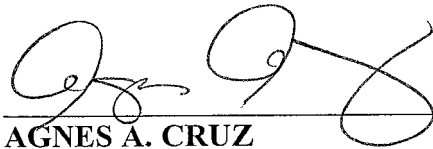
1.17.05  
DATE

David J. Highsmith  
**DAVE HIGHSMITH**  
*Legislative Counsel*  
*Approved as to form.*

1/19/05  
DATE

  
 ✓ **BENIDO TORRES**  
 Acting Chief Fiscal Officer  
 Certified as to the Availability of Funds.

01/19/05  
 DATE

  
**AGNES A. CRUZ**  
 Acting Executive Director

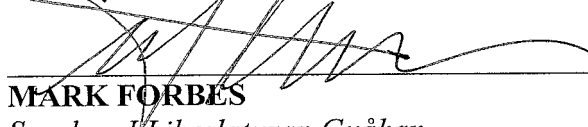
01/19/05  
 DATE

  
**EDDIE CALVO** *acting*  
 Senator and Legislative Secretary

01/19/05  
 DATE

  
**MARK FORBES**  
 Executive Committee Chairman

01/25/05  
 DATE

  
**MARK FORBES**  
 Speaker, Liheslaturan Guåhan

01/25/05  
 DATE

Allotment Number: 415 6305-543

Authorized Amount: 15,936.00

Contract Number: ~~057800543~~ 41500054

(9 mos) Jan '05 - Sept '05 - 5,976.00 →  
 (12 mos) Oct '05 - Sept '06 - 7,968.00  
 (3 mos) Oct '06 - Dec '06 - ~~5,976.00~~ 1,992.00  
15,936.00





DEPARTMENT OF REVENUE AND TAXATION

GOVERNMENT OF GUAM

**BUSINESS LICENSE**

SRL NO: 0507398

P.O. Box 23607  
G.M.F. Barrigada, Guam 96921  
SOLE PROPRIETORSHIP  
EXPIRES: JUNE 30, 2005

Service Rental  
ACCOUNT NO. 14-200300186-001

R

ISSUED TO:

PEREZ, DOLORES N.

FEE	25	00
PENALTY	33	00
<b>TOTAL FEE</b>	<b>58</b>	<b>00</b>

DOING BUSINESS AS:

PEREZ, DOLORES N.

TYPE OF LICENSE:

OFFICE SPACE RENTAL

**PAID**

BUSINESS LOCATION:

LOT 152 BLOCK 7

AGANA GUAM

MAILING ADDRESS:

P O BOX 1448  
HAGATMA GUAM

ZIP: 96932

TELEPHONE: HOME 472-5052

BUSINESS

8/02/04

CLEARANCES OBTAINED SEE APPLICATION

DIRECTOR OF REVENUE AND TAXATION

*Artemio B. Illagan*  
ARTEMIO B ILLAGAN

GUAM LEGISLATURE  
FISCAL OFFICE

AUG 02 2004

TIME: 1:30 PM  
RECEIVED BY: *[Signature]*