

**COMMERCIAL LEASE AGREEMENT WITH**  
**I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN**

This Commercial Lease Agreement (“Agreement” or “Lease”) is entered into this 7<sup>th</sup> day of January, 2019, between **EDWARD S. TERLAJE** (the “Landlord”), whose address is P. O. Box 1719, Hagatna, Guam 96932, and ***I Liheslaturan Guåhan*** (“the Guam Legislature” or “Tenant”), whose address is 163 W. Santo Papa, Hagåtña, Guam 96910 (hereafter collectively referred to as the “Parties”).

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:

An area consisting of approximately Two Thousand Forty-Five  
(2,045) square feet of office space located on the first floor  
of the Terlaje Professional Building, 194 Hernan Cortes Ave.,  
Hagatna Guam 96910, for the office of Senator Sabina E. Perez,

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

2. **TERM.** The term of this Lease shall be for a term of two (2) years, commencing on January 7, 2019, and expiring on midnight December 31, 2020, unless otherwise earlier terminated by Tenant by giving thirty (30) days' advanced, written notice to Landlord.

3. **USE.** The Premises shall be used and occupied for Senatorial and legislative staff offices, public meetings, and other related uses, as directed by Senator Sabina Perez.

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, rules or regulations 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 of the term of this Lease, the sum of THREE THOUSAND DOLLARS (\$3,000.00), per month, 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. **SECURITY DEPOSIT.** The security deposit shall be the sum of THREE THOUSAND DOLLARS (\$3,000.00), USC, the receipt and sufficiency of which is hereby acknowledged. If Tenant defaults in the performance of any of the terms hereof, or abandons the Premises, Landlord may use, apply or retain all or part of such security deposit, if applicable, for the payment of rent or any other payment to be made by Tenant which is in default, or of any other cost expense or liability which Landlord may suffer by reason of such default. At the end of the lease term, if Tenant is not in default, the security deposit or its balance shall be

returned to Tenant. Landlord shall place Tenant's security deposit in an ordinary interest-bearing account and apply the interest earned to the principal security deposit. Tenant shall be entitled to any unused security deposit and interest thereon.

7. **UTILITIES.** All utilities for the Premises described in Paragraph 1 above shall be paid for by the Tenant, except for water and power, which Landlord shall provide at Landlord's sole cost and expense.

8. **IMPROVEMENT(S).**

(a) Tenant shall not make, or permit to be made, any installations, alterations, additions or improvements ("Improvements") 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. Improvements shall include fixtures.

(b) All Improvements made by or for the Tenant in the Premises, both before the signing of this Lease and thereafter, may, at Tenant's option, be removed by the Tenant provided that 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. Tenant shall not be required to restore the Premises in any particular layout.

(c) \_\_\_\_\_ *Optional: Landlord and Tenant shall both initial this part (c) if it is applicable to this Lease or it shall not be deemed applicable:* Upon termination of the Lease, Landlord *shall* also have the option to require that Tenant remove all or part of the Improvement(s) placed on the Premises by Tenant, at Tenant's expense. Tenant shall remove the Improvement(s) within a reasonable amount of time, depending upon the type of improvement(s) being removed, provided that the Tenant shall continue to pay rent during renovation.

9. **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. Landlord shall maintain the sole obligation to maintain, install, repair and replace, if required, all the central air conditioning systems for the premises and keep sufficient air conditioning units in operation for the adequate cooling of the Premises.

10. **RESTORATION.** Tenant, upon the termination of this Lease or the expiration of the term hereby, shall quit and surrender the Premises in the same condition as the beginning of the lease term, reasonable wear and tear excepted.

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, or which are adopted hereafter 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 if, in the sole judgment of Landlord, repairs can be completed within ninety (90) days from the date of the damage under the applicable laws, rules and regulations, 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 his 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, rules 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 of the 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 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.** Upon the occurrence of any 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. 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 sub-paragraph (a) of this Paragraph 16, 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.

17. **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.

18. **ADA COMPLIANCE.** Landlord shall be responsible for the building and the Premises' compliance with the Americans with Disabilities Act.

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 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 *I Liheslaturan Guåhan's* address above, whether or not Tenant has departed therefrom, 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. Landlord shall provide evidence to Tenant that the person executing this Lease on behalf of Landlord is an authorized representative of Landlord.

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. Nothing herein shall be construed to limit Landlord's or Tenant's rights under the laws of Guam. Landlord shall attach a current copy of Landlord's Guam Business License to this Lease and shall ensure that Tenant is provided copies of an unexpired Business License at all times. On request, Landlord shall provide adequate documentation indicating its authorized representative and indicating that this Lease is authorized by the lawful owner of the Premises.



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. **TIME OF ESSENCE.** Time is of the essence of this Lease and of each and every provision hereof, except as to the conditions relating to the delivery of possession of the Premises to Tenant. All terms, covenants and conditions contained in this Lease to be performed by Tenant, if Tenant shall consist of more than one (1) person or organization, shall be deemed to be joint and several and all rights and remedies granted to Landlord by law shall be cumulative and non-exclusive of any other remedy.

24. **AVAILABILITY OF FUNDING.** This Lease is expressly subject to the availability of funds appropriated and allocated by *I Liheslaturan Guåhan* 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

Premises promptly after the termination or expiration thereof, Landlord may, at Landlord's option forthwith, re-enter and take possession of the Premises of 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 writing and signed by both of them.

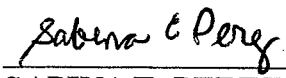
28. **SEVERABILITY.** If for any reason whatsoever any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect. No terms, conditions, warranties, promises or understandings of any nature whatsoever, express or implied, exist between the Parties, except as herein expressly set forth.

**LANDLORD:**

  
By: **EDWARD S. TERLAJE.**

3/19/19  
DATE

**TENANT: I LIHESLATURAN GUAHAN:**

  
**SABINA E. PEREZ,**  
*Authorizing Senator*

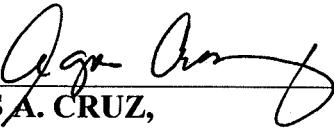
3/19/19  
DATE

Approved as to form:

  
**JULIAN AGUON,**  
*Legislative Counsel*


3-27-19  
DATE

Certification as to Availability of Funds and as to Expenditure of Funds in Accordance with the Budgetary Requirements of the Standing Rules:

  
\_\_\_\_\_  
**AGNES A. CRUZ,**  
*Chief Fiscal Officer*

4/09/19  
\_\_\_\_\_  
**DATE**

Executed by:

  
\_\_\_\_\_  
**TINA ROSE MUNA BARNES,**  
*Speaker*

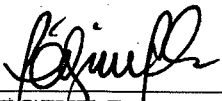
4.09.19  
\_\_\_\_\_  
**DATE**

Attested by:

  
\_\_\_\_\_  
**AMANDA L. SHELTON,**  
*Legislative Secretary*

4.09.19  
\_\_\_\_\_  
**DATE**

Countersigned by:

  
\_\_\_\_\_  
**REGINE B. LEE,**  
*Chairperson, Committee on Rules*

10 APRIL 2019  
\_\_\_\_\_  
**DATE**

FY 19  
3rd ~~2<sup>nd</sup>~~ 9,000  
4th - 9,000  
FY 20  
1st 9,000 -  
2nd 9,000 -  
3rd 9,000 -  
4th 9,000 -  
FY 21  
1st 9,000 -

Allotment Number: 06305-415

Authorized Amount: \$18,000

Contract Number: 415 C0527-19-35