



# City of Cambridge

Agenda Item Number 12

**IN CITY COUNCIL**

September 26, 1983

WHEREAS:

Chapter 543 of the Acts of 1982, which was accepted by the Cambridge City Council on January 17, 1983, granted certain powers to the City of Cambridge with respect to a long term lease of the Lee B. Macht Community Health Center at Cambridge Hospital and a sublease of space therein; and

WHEREAS:

Pursuant to Cambridge City Ordinance #733 there has heretofore occurred a referral of the offer to lease or rent the Lee B. Macht Community Health Center to the Planning Board of the City of Cambridge, a report to the Cambridge City Council by the Cambridge Planning Board dated April 28, 1982, and a subsequent public hearing by the Cambridge City Council timely held after due notice;

NOW THEREFORE BE IT ORDERED:

That the City of Cambridge shall lease the building at the Cambridge Hospital known as the Lee B. Macht Community Health Center substantially on the terms and conditions of the lease form submitted to the Cambridge City Council on this date, and that the Cambridge City Manager is authorized and directed to execute and deliver such lease on behalf of the City with such nonmaterial modifications from such form as the City Manager in his sole discretion shall deem necessary or appropriate, and be it further

ORDERED:

That the City of Cambridge upon or after the lease of the Lee B. Macht Community Health Center shall sublease certain space in such building substantially on the terms and conditions of the sublease form submitted to the Cambridge City Council on this date, and that the Cambridge City Manager is authorized and directed to execute and deliver such sublease on behalf of the City with such nonmaterial modifications from such form as the City Manager in his sole discretion shall deem necessary or appropriate, and be it further

ORDERED:

That in connection with the lease of the Lee B. Macht Community Health Center and the City's sublease of space therein, the City of Cambridge shall also from time to time enter into, and the City Manager is authorized and directed to execute and deliver on behalf of the City, such notices of lease and sublease, agreements with mortgagees from time to time of the tenant of the Lee B. Macht Community Health Center, nondisturbance and attornment agreements

and other agreements with occupancy tenants of such building, amendments of such lease and sublease, and such other instruments, documents or agreements as the City Manager in his sole discretion deems necessary or appropriate in connection with the lease of the Lee B. Macht Community Health Center and the sublease of space therein, the execution and delivery of which by the City Manager shall be conclusive evidence that the same was within the authority conferred by this vote.

In City Council September 26, 1983.

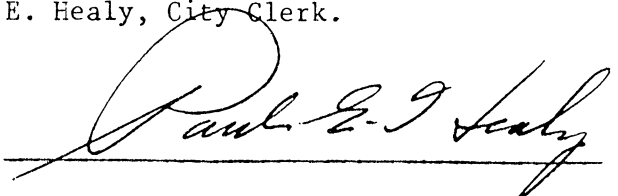
Adopted by a yea and nay vote:-

Yeas 7; Nays 0; Absent 2.

Attest:- Paul E. Healy, City Clerk.

A true copy;

ATTEST:-

  
Paul E. Healy, City Clerk.

# City of Cambridge

MASSACHUSETTS

In City Council September 26, 1983 198

Agenda # 12 - Proposed lease and renovation of the former nurses residence at the Cambridge Hospital.

	YEA	NAY	ABSENT	PRESENT
Mr. Daniel J. Clinton	✓			
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Sandra Graham	✓			
Mr. Leonard J. Russell	✓			
Mr. David E. Sullivan			✓	
Mr. Walter J. Sullivan	✓			
Mr. Wylie			✓	
Mayor Vellucci	✓			
	7	0	2	

~~MR~~  
~~JA~~  
~~RC~~  
~~A~~



# The Cambridge Hospital

Affiliated with  
Harvard Medical School



September 23, 1983

Mr. Robert Healy  
City Manager  
Cambridge City Hall  
Cambridge, MA 02139

Dear Mr. Healy,

Over the period of the past eighteen months the Hospital, your office, the City Council, its Committee on Health and Hospitals, and the City Planning Board have considered a proposal to renovate the former nurses residence at The Cambridge Hospital, The Macht Center. Actions taken by these bodies are reflected in the attached documents.

- Exhibit #1 Planning Board approval; April 28, 1982.
- Exhibit #2 City Council resolution authorizing RFP process; June 21, 1982.
- Exhibit #3 City Council resolution authorizing filing of home rule petition; November 22, 1982.
- Exhibit #4 City Council resolution accepting Chapter 543 of the Acts of 1982, the relevant home rule petition; January 17, 1983.
- Exhibit #5 City Council order accepting deposit of \$30,000 from Daniel O'Connell's Sons, Inc.; January 17, 1983.

Lease negotiations have proceeded actively since January of 1983 and have ultimately led to the master lease and sublease documents identified as September 23rd drafts attached. Pursuant to past commitments to the City Council we are now requesting these leases be presented to the City Council and propose the attached Order accepting them and empowering the City to execute the lease agreements.

The City Solicitor's office has been kept informed of progress during the lease negotiations, has received copies of all interim lease drafts and has received copies of the final September 23rd drafts.

A representative of Daniel O'Connell's Sons, Inc., the City Community Development Department, Mr. Hale Andrews, special legal counsel to the City on these lease negotiations and Mr. Greene, Hospital Director, will be present at the City Council Meeting, Monday, September 26, 1983, to respond to any questions which might arise in consideration of this Order.

Sincerely,

  
Michael J. Greene  
Hospital Director

  
Kathy Spiegelman  
Assistant City Manager

Attachments



OF CAMBRIDGE, MASSACHUSETTS  
**PLANNING BOARD**

HALL ANNEX, 57 INMAN STREET, CAMBRIDGE 02139

April 28, 1982

To the Honorable, the City Council:

**SUBJECT: Renovation and Leasing of the Cambridge City Hospital  
Nurses Residences**

The Planning Board, at a regular meeting on April 20, 1982, considered the proposal to renovate and convert the existing nurses residence structure into office space. The renovated building would be used by the City's Health Inspectors, the Hospital's Department of Psychiatry and approximately 22 percent would be leased to private physicians.

The Board finds that conversion to administrative/medical office space is an appropriate reuse of this facility and has no objection to the renovation and leasing arrangement as proposed.

Respectfully submitted,

For the Planning Board

*Arthur C. Parris*  
Arthur C. Parris  
Chairman

ACP:jp



# City of Cambridge

Communication No. 13

IN CITY COUNCIL

June 21, 1982

COUNCILLOR WYLIE

WHEREAS: This City Council is in receipt of a report from the Committee on Health and Hospitals dated April 26, 1982 relative to proposed plans for the renovation of the former Nurses Residence located adjacent to the Cambridge Hospital at 16 Camelia Avenue; and

WHEREAS: The Committee had considered three possible alternatives for financing the project, which are outlined as follows:

1. The lease or purchase of the building by a private developer with a lease back to the hospital.
2. The City could float bonds for the renovation and lease, some to private doctors.
3. The City could create a development entity which would lease or purchase the building and provide leases to both the hospital and private doctors;

Now therefore be it

ORDERED: That the City Manager be and hereby is authorized in conjunction with Dr. Melvin Chalfen, Commissioner of Health and Hospitals to advertise for requests for proposals (RFP) from prospective developers, with a view towards negotiating a lease back arrangement between the developer and the Cambridge Hospital and further to report back to this City Council the action contemplated before taking final action in this matter.

In City Council June 21, 1982.  
 Adopted by a yea and nay vote:-  
 Yeas 8; Nays 0; Absent 1.  
 Attest:- Paul E. Healy, City Clerk.

A true copy;

ATTEST:-

*Paul E. Healy*



# City of Cambridge

Agenda Item Number Nine

**IN CITY COUNCIL**

November 22, 1982

**MAYOR VELLUCCI**

**ORDERED:**

That this City Council go on record approving the filing of the attached legislation entitled "AN ACT AUTHORIZING THE CITY OF CAMBRIDGE TO LEASE THE BUILDING AT THE CAMBRIDGE HOSPITAL NOW KNOWN AS THE LEE B. MACHT COMMUNITY HEALTH CENTER FOR A TERM NOT EXCEEDING NINETY-NINE YEARS AND TO SUBLEASE SPACE AT SUCH BUILDING DURING THE TERM OF ANY LEASE OF SUCH BUILDING."

In City Council November 22, 1982.  
Adopted by a yea and nay vote:-  
Yeas 8; Nays 0; Absent 1.  
Attest:- Paul E. Healy, City Clerk.

A true copy;

ATTEST:-

*Paul E. Healy*  
Paul E. Healy, City Clerk.



# The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND EIGHTY-TWO

## AN ACT

AN ACT AUTHORIZING THE CITY OF CAMBRIDGE TO LEASE THE BUILDING AT THE CAMBRIDGE HOSPITAL NOW KNOWN AS THE LEE B. MACHT COMMUNITY HEALTH CENTER FOR A TERM NOT EXCEEDING NINETY-NINE YEARS AND TO SUBLEASE SPACE AT SUCH BUILDING DURING THE TERM OF ANY LEASE OF SUCH BUILDING.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

**SECTION 1.** Notwithstanding the provisions of Chapter 40, Section 3 of the General Laws or any other general or special law to the contrary, the City of Cambridge is hereby authorized to lease the building at The Cambridge Hospital now known as The Lee B. Macht Community Health Center for a term not exceeding 99 years on such terms and conditions and with such appurtenant property and rights as the City shall determine.

**SECTION 2:** Notwithstanding the provisions of any general or special law to the contrary, upon or after lease of the building referred to in Section 1 of this Act by the City of Cambridge, the City is hereby authorized from time to time to sublease space at such building for all or any portion of the term of such lease on such terms and conditions and with such appurtenant property and rights as the City shall determine.

**NOTE.** - Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

**SECTION 3:** The authority granted by this Act shall be exercised by the Cambridge City Council by a majority vote thereof. The City Council may by such vote authorize and direct the City Manager, or such other official of the City of Cambridge as the City Council may by its vote designate, to execute and deliver such leases, subleases and other documents as may be reasonably necessary or appropriate to enter into transactions hereby authorized. The execution and delivery of any lease, sublease or other document by such duly authorized official shall be conclusive evidence that the same was within the authority conferred by this Act and by the vote of said City Council and upon such execution and delivery such lease, sublease or other document shall be a valid and binding obligation of the City of Cambridge enforceable in accordance with the terms thereof.

**SECTION 4:** This Act shall take effect upon acceptance by a majority vote of the Cambridge City Council.

To the Honorable Senate and House of Representatives of The Commonwealth of Massachusetts  
in General Court assembled.

The undersigned, citizens of \_\_\_\_\_ Cambridge

respectfully

petition for the passage of the accompanying bill or resolve, and/or for legislation AN ACT AUTHORIZING THE  
CITY OF CAMBRIDGE TO LEASE THE BUILDING AT THE CAMBRIDGE HOSPITAL NOW KNOWN AS  
THE LEE B. MACHT COMMUNITY HEALTH CENTER FOR A TERM NOT EXCEEDING NINETY-NINE YEARS  
AND TO SUBLEASE SPACE AT SUCH BUILDING DURING THE TERM OF ANY LEASE OF SUCH BUILDING.

Petitioners are requested to sign names and addresses legibly.

Daniel J Clinton

David E. Sullivan

Donald A. Lybe

Thomas W. Devinsky

Raymond J. Devinsky

Jerry J. Devinsky

Paulina Graham

Alfred Vellucci

Robert W. Devinsky

31 Rockingham St

83 Inman St.

524 Mass. Ave

19 Richmond St.

28 Lincoln Street

6 Cambridge Pt.

189 Water Ave.

43 Porter Street



# City of Cambridge

Calendar Item No. 21

IN CITY COUNCIL

January 17, 1983

**ORDERED:**

That the Cambridge City Council herewith accepts Chapter 543 of the Acts of 1982, which is an Act authorizing the City of Cambridge to lease the building at the Cambridge Hospital now known as the Lee B. Macht Community Health Center for a term not exceeding ninety-nine years and to sub-lease space at such building during the term of any lease of such building.

In City Council January 17, 1983.  
Adopted by a yea and nay vote:-  
Yeas 7; Nays 0; Absent 2.  
Attest:- Paul E. Healy, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script, appearing to read "Paul E. Healy".

THE COMMONWEALTH OF MASSACHUSETTS

In the Year One Thousand Nine Hundred and Eighty-two

**AN ACT** AUTHORIZING THE CITY OF CAMBRIDGE TO LEASE THE BUILDING AT THE CAMBRIDGE HOSPITAL KNOWN AS THE LEE B. MACHT COMMUNITY HEALTH CENTER FOR A TERM NOT EXCEEDING NINETY-NINE YEARS AND TO SUBLEASE SPACE AT SUCH BUILDING DURING THE TERM OF ANY LEASE OF SUCH BUILDING.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Notwithstanding the provisions of section three of chapter forty of the General Laws or any other general or special law to the contrary, the city of Cambridge is hereby authorized to lease the building at The Cambridge Hospital known as The Lee B. Macht Community Health Center for a term not exceeding ninety-nine years on such terms and conditions and with such appurtenant property and rights as the city shall determine.

SECTION 2. Notwithstanding the provisions of any general or special law to the contrary, upon or after lease of the building referred to in section one by the city of Cambridge, the city is hereby authorized from time to time to sublease space at such building for all or any portion of the term of such lease on such terms and conditions and with such appurtenant property and rights as said city shall determine.

SECTION 3. The authority granted by this act shall be exercised by the city council of the city of Cambridge by a majority vote thereof. The said city council may by such vote authorize and direct the city manager of said city, or such other official of said city of Cambridge as said city council may by its vote designate, to execute and deliver such leases, subleases and other documents as may be reasonably necessary or appropriate to enter into transactions hereby authorized. The execution and delivery of any lease, sublease or other document by such duly authorized official shall be conclusive evidence that the same was within the authority conferred by this act and by the vote of said city council and upon such execution and delivery such lease, sublease or other document shall be a valid and binding obligation of said city of Cambridge enforceable in accordance with the terms thereof.

APPROVED: 12-15-82

TAKES EFFECT: Upon acceptance by city



# City of Cambridge

Calendar Item No. 17 (A)

IN CITY COUNCIL  
December-6,-1982  
January 17, 1983

ORDERED:

That, in accordance with the provisions of Chapter 44, Section 53A of the General Laws, the City hereby accepts a deposit of \$30,000 from Daniel O'Connell's Sons, Inc. of Boston, MA towards the renovation of the Lee B. Macht Community Health Center.

In City Council January 17, 1983.  
Adopted by a yea and nay vote:-  
Yeas 7; Nays 0; Absent 2.  
Attest:- Paul E. Healy, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script, reading "Paul E. Healy".

~~December 6, 1982~~  
January 17, 1983

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1982

ORDERED: That in addition to sums previously appropriated by the City Council for the fiscal period 1982-83 the following sum is hereby appropriated in the General Fund of the City of Cambridge:

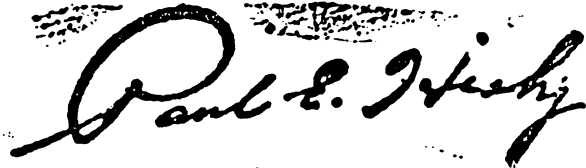
FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
Community Maintenance and Development	Community Development			\$30,000.00		\$30,000.00

IT FURTHER ORDERED: That the above appropriations in the General Fund are to be financed by estimated revenues drawn from the following sources:

In City Council January 17, 1983.  
Adopted by a yeas and nays vote:-  
Yeas 7; Nays 0; Absent 2.  
Attest:- Paul E. Healy, City Clerk.

A true copy;

ATTEST:-



FINANCING PLAN

REVENUE

Deposit from Developer of Macht Center \$30,000.00



# City of Cambridge

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September 26, 1983

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WHEREAS:

Pursuant to Cambridge City Ordinance #733 there has heretofore occurred a referral of the offer to lease or rent the Lee B. Macht Community Health Center to the Planning Board of the City of Cambridge, a report to the Cambridge City Council by the Cambridge Planning Board dated April 28, 1982, and a subsequent public hearing by the Cambridge City Council timely held after due notice;

NOW THEREFORE BE IT ORDERED:

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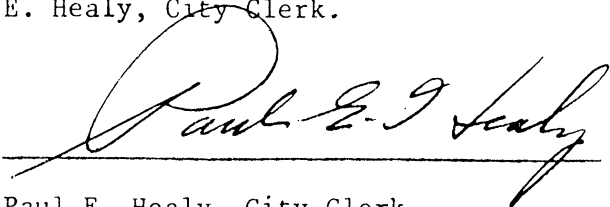
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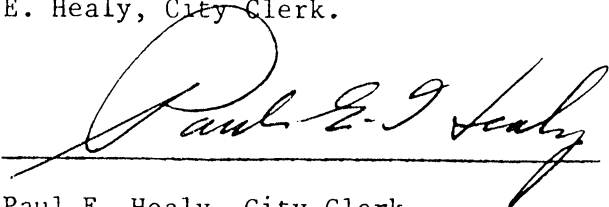
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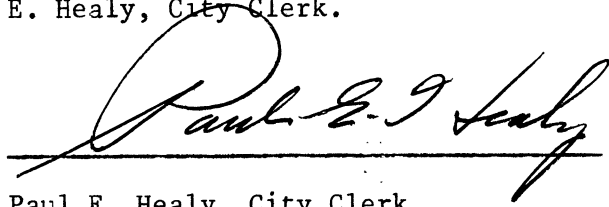
Adopted by a yea and nay vote:-

Yeas 7; Nays 0; Absent 2.

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A true copy;

ATTEST:-

  
Paul E. Healy, City Clerk.

September 23, 1983

LEASE

ARTICLE I

FUNDAMENTAL LEASE PROVISIONS

Background

This lease is entered into pursuant to (i) a Request for Proposals dated July 11, 1982 issued by the City of Cambridge pursuant to a vote of the Cambridge City Council, dated June 21, 1982 and approving the project contemplated herein (said vote being preceded by an approval of the project by the Cambridge Planning Board on April 28, 1982), (ii) a proposal by Tenant in response to such request dated October 18, 1982, (iii) Chapter 543 of the Massachusetts Acts of 1982 which authorized Landlord to enter into this transaction and the acceptance of such law by the Cambridge City Council dated January 17, 1983, and (iv) an acceptance of Tenant's proposal by the City of Cambridge, evidenced by a vote of the Cambridge City Council dated January 17, 1983 accepting \$30,000 paid on Tenant's behalf as required by the Request For Proposals.

1.1 Reference Subjects. Each reference in this Lease to any of the following subjects shall incorporate the following information.

DATE: , 1983

PREMISES: The entire building now known as the Lee B. Macht Community Health Center located at 16 Camelia Ave., Cambridge, Massachusetts and identified on Exhibit A. (See Section 2.1 for appurtenant rights granted Tenant under this Lease.)

LANDLORD'S PROPERTY: The parcel of land on which the Premises are located, outlined on Exhibit A, together with such other land in the vicinity as may be from time to time owned by Landlord for uses related to Cambridge Hospital, all as improved by buildings, parking areas, landscaped areas and other improvements, facilities, and equipment from time to time.

LANDLORD: City of Cambridge

LANDLORD'S ADDRESS: c/o Community Development Department  
City Hall Annex  
Broadway and Inman Street  
Cambridge, Massachusetts 02139

TENANT: [Tenant shall be a limited partnership  
whose general partner is a corporation  
which is a wholly owned subsidiary of  
O'Connell Enterprises, Inc.]

TENANT'S ADDRESS: 480 Hampden Street, Holyoke,  
Massachusetts 01040

TERM COMMENCEMENT DATE: See Section 2.3.

TERM EXPIRATION DATE: The date 55 years after the Term  
Commencement Date.

ANNUAL FIXED RENT: \$50,000, subject to increase in  
accordance with the provisions of  
Section 4.2.

PERMITTED USES: Hospital uses, auditorium, conference  
and teaching facilities associated with  
such uses, health-related governmental  
uses, offices of physicians affiliated  
with Cambridge Hospital, offices of  
dentists affiliated with Cambridge  
Hospital, offices of psychologists and  
other therapists affiliated with  
Cambridge Hospital, offices of  
optometrists, medical billing services  
with substantial relationships to  
Cambridge Hospital affiliated  
physicians and physicians groups,  
offices of attorneys and accountants  
serving Cambridge Hospital medical  
staff, vending operations (exclusive of  
cigarettes) in a location not exceeding  
100 square feet and approved by  
Landlord in advance, and other uses  
reasonably compatible with the  
foregoing and approved by Landlord in  
advance. Individuals shall be deemed  
affiliated with Cambridge Hospital for  
purposes of this clause if such  
individuals have staff privileges at  
Cambridge Hospital and groups shall be  
deemed so affiliated if at least one  
member thereof has such staff  
privileges.

TENANT'S PARKING SPACES: 15 Parking Spaces, which shall be located in the area of Landlord's Property indicated therefor on Exhibit A, subject to Section 2.1.

PUBLIC LIABILITY  
INSURANCE: \$3,000,000

## ARTICLE II

### Premises and Term

2.1 Premises. Landlord leases the Premises to Tenant and Tenant leases the Premises from Landlord, subject to rights of record, if any.

Subject to reasonable rules established from time to time by Landlord, Tenant shall have appurtenant rights to use (i) the exterior walkways and sidewalks on Landlord's Property necessary for access to the Premises, (ii) so much of Landlord's Property adjacent to the Building as Tenant is required to landscape and maintain pursuant to this Lease, and (iii) pipes, drains, ducts, conduits, wires, meters and appurtenant fixtures and equipment serving the Premises and located elsewhere on Landlord's Property (with respect to any oil tank installed by Tenant to service the Premises under Article III, such right to use shall also include a right to repair and service provided the surface of such location is fully restored thereafter). Tenant also shall have the appurtenant exclusive right to use Tenant's Parking Spaces, and the appurtenant right to use (in common with other persons using Landlord's Property or portions thereof) parking generally available for persons using Landlord's Property from time to time, plus driveways on Landlord's Property, all subject to reasonable rules of Landlord from time to time.

Landlord reserves rights of access to and egress from, and rights to construct and use, driveways, roadways, walkways, water, sewer, septic, gas, electric, telephone and other utilities, facilities and additional improvements upon portions of Landlord's Property serving the Premises so long as the same do not unreasonably interfere with Tenant's use of or access to the Premises and no building or other structure is placed closer than ten feet to the front of the Premises. Landlord will indemnify Tenant against any cost, damage or expense to Tenant caused by Landlord's exercise of such rights and will repair any damage to the Premises caused thereby.

Landlord also reserves the right to relocate Tenant's Parking Spaces to other locations on Landlord's Property from time to time

if parking facilities on Landlord's Property are changed or redeveloped or if the initial location of such spaces is otherwise improved by Landlord. There shall be no diminution in the number of such spaces set forth in Section 1.1 as the result of any such relocation.

2.2 Condition of Premises. Tenant acknowledges that it has inspected the Premises and that except as otherwise provided in this Lease Landlord has made no representations, warranties or promises with respect to the Premises or the condition thereof.

2.3 Term. This Lease is for a term ("Term") of 55 years beginning on the date 90 days after issuance of a certificate of need for Tenant's Work (as defined below) by the Department of Public Health of The Commonwealth of Massachusetts. Landlord and Tenant shall, at the request of either after the beginning of the Term, execute an acknowledgment, in recordable form, specifying the Term Commencement Date and Term Expiration Date. If Tenant is permitted by Landlord to enter the Premises prior to the Term Commencement Date, Tenant shall perform all Tenant's covenants to the extent applicable (except the covenant to pay rent) and such further reasonable requirements as Landlord may impose in light of the then uses of the Premises, neighborhood concerns, Cambridge Hospital operations, and protection of Landlord's interests.

### ARTICLE III

#### Initial Tenant's Work and Related Matters

Tenant agrees at its sole risk and expense to undertake reconstruction of the Premises and rehabilitate the same to provide fully finished hospital and office space of approximately 32,000 net rentable square feet in accordance with the provisions of this Article III ("Tenant's Work"). Tenant shall commence Tenant's Work to Landlord's reasonable satisfaction no later than 30 days after the Term Commencement Date. Tenant shall prosecute construction of Tenant's Work diligently to completion without interruption. Completion of Tenant's Work shall occur no later than 395 days after the Term Commencement Date. For purposes of the prior sentence, "completion" shall be deemed to occur upon the date of the last to occur of the following:

(a) Completion of all Tenant's Work in accordance with the Plans and Specifications (as defined below) as evidenced by a certificate of Landlord's architect or other designee.

(b) Issuance by appropriate governmental officials of a permanent certificate of occupancy and any other permit necessary for continuing occupancy of the Premises for the Permitted Uses.

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All Tenant's Work shall be performed in a good and workmanlike manner, using new materials (or materials of equal quality where use of recycled materials for aesthetic reasons (possible example: brick facing) is approved by Landlord) of good quality, and in accordance with Landlord's programmatic and developmental requirements attached as Exhibit B and plans and specifications consistent therewith in Landlord's reasonable judgment and reasonably approved in advance by Landlord ("Plans and Specifications"). Notwithstanding the prior sentence, Tenant shall have the right to make changes in the plans and specifications during the course of construction without Landlord's approval thereof provided Tenant notifies Landlord of such changes in advance and provided further that such changes do not materially alter Tenant's Work (including without limitation the design thereof and the quality of materials to be included therein) as contemplated in plans and specifications approved prior thereto. Landlord may inspect the construction of Tenant's Work from time to time, and Tenant shall furnish Landlord monthly reports regarding the progress Tenant's Work containing such information as Tenant reasonably shall request from time to time. All Tenant's Work shall conform to applicable statutes, ordinances, regulations and codes and to the requirements of any regulatory authorities. Tenant shall obtain all necessary licenses, permits and approvals appropriate to or required by Tenant's Work.

If Tenant desires in connection with other Tenant's Work to install an oil tank to service the Premises on a portion of Landlord's Property near the Premises Landlord shall consent to such installation provided such installation does not unreasonably interfere with other present or potential uses of such location by Landlord and provided further that Tenant shall restore the surface of such location to the condition obtaining there prior to such installation. If Tenant desires to upgrade the lines provided electric service to the Premises from other portions of Landlord's Property in connection with other Tenant's Work Landlord likewise shall not unreasonably withhold consent thereto provided Tenant's proposed action will have no adverse effect on electrical service to other portions of Landlord's Property and subject to appropriate requirements for restoration of Landlord's Property. All actions by Tenant under this paragraph shall be at Tenant's sole expense and shall be considered part of Tenant's Work for all purposes hereunder.

The identity of Tenant's architect and Tenant's general contractor and any other contractors (including demolition contractors) directly engaged by Tenant shall require Landlord's prior approval. Landlord hereby consents to E.R. Racek and Associates, Inc., as Tenant's architect and Daniel O'Connell Sons, Inc., as Tenant's general contractor, and shall not unreasonably

withhold approval of other persons for whom its consent is required under the prior sentence. All construction contracts shall require Tenant's general and other direct contractors to perform all construction shown on the Plans and Specifications and other work incident thereto (including demolition) for a fixed price or for the contractor's cost plus a fee not to exceed a guaranteed maximum amount. Such construction contracts shall obligate Tenant's contractors to furnish and record in a timely fashion statutory lien bonds protecting Landlord's interests in the Premises and Landlord's Property against any liens arising in connection with work performed thereunder. Prior to commencement of Tenant's Work Tenant shall furnish Landlord copies of all direct construction contracts and Tenant reasonably shall demonstrate to Landlord that sufficient funds are available to Tenant (from loan proceeds or Tenant's own resources) to make all payments required to complete construction of Tenant Work.

If Landlord so requests, Tenant shall conditionally assign to Landlord interests in any other bonds procured with reference to the construction, any architect's contract, and any general or other construction contract, and shall obtain an agreement from Landlord's architect allowing Landlord to use the Plans and Specifications, all to the end that if Tenant defaults in its obligations to complete the Tenant's Work required hereunder, such assignments will become unconditional, vesting in Landlord the right (but not the obligation) to continue with construction, to use the Plans and Specifications and to enjoy the benefits of any bonds.

Tenant's contractors shall carry workmen's compensation insurance covering all of such contractors' employees, in statutory amounts and in companies reasonably approved by Landlord. Such insurance shall name as insureds Landlord, parties designated by Landlord, Tenant and the contractor. Certificates for all the foregoing insurance shall be delivered to Landlord before any work has begun in the Premises. Tenant shall hold Landlord harmless and indemnified from any penalty, damage or injury of whatever kind arising out of Tenant's Work (including any matter arising out of any failure to comply with the terms hereof) except for matters attributable to Landlord's negligence or willful misconduct. No approval by Landlord of the final Plans and Specifications, as the same may be modified or amended, the identity of the architects or contractors, the form of architectural or construction contracts, or of any other matters, shall constitute a waiver by Landlord of Tenant's responsibilities set forth herein.

Reference is made to Section 5.13 and 5.14 of this Lease for local and minority hiring requirements applicable to Tenant's Work.

Reference is made to Section 5.16 of this Lease for requirements regarding installation of fine art on the Premises.

Landlord has heretofore delivered to Tenant a copy of the materials attached as Exhibit C, which were submitted to Landlord by persons residing near the Premises. Tenant shall comply with the provisions of Exhibit C.

#### ARTICLE IV

##### Rent

4.1 General Covenant. Tenant covenants and agrees to pay to Landlord Fixed Rent at the annual rates specified herein. Fixed Rent shall be payable without demand, notice, or, except to the extent Tenant has not received rent due and owing under the occupancy sublease described in Section 8.12, set-off or counterclaim at the times and places and in the manner provided below.

4.2 Annual Fixed Rent Calculation. For the period beginning with the Rent Commencement Date (as hereafter defined) and ending 12 months thereafter (or, if the Rent Commencement Date is not the first day of a month, ending at the end of the twelfth month to begin after the Rent Commencement Date; such period, and each 12 month period thereafter or shorter period ending with the expiration of the Term shall be deemed an "Operating Year") Tenant shall pay the Annual Fixed Rent set in Section 1.1. (In the first Operating Year Tenant shall also pay an amount equal to a prorata portion of such Annual Fixed Rent for the portion of a month (if any) after the Rent Commencement Date). For each Operating Year thereafter, the Annual Fixed Rent shall be 105% of the Annual Fixed Rent for the entire Premises during the prior Operating Year or, if greater, the product of (a) the Annual Fixed Rent payable during the prior Operating Year and (b) the following fraction:

$$\left( \left[ \frac{\text{CPI for the reporting period which includes the first day of such Operating Year}}{\text{CPI for the reporting period which includes the first day of the prior Operating Year}} - 1 \right] \times 0.5 \right) + 1.$$

For example, if the first operating year begins July 1, 1984, the CPI for the reporting period which includes such date is 300, and the CPI for the period which includes July 1, 1985 (the beginning of the second operating year) is 326, the fraction produced by the formula is  $313/300$  ( $326/300 - 1 = 26/300$ ;  $26/300 \times 0.5 = 13/300$ ;  $13/300 + 1 = 313/300$ ). In such circumstances the Annual Fixed Rent would be \$52,500 (105% of the \$50,000 prior year Annual Fixed Rent), as this is greater than \$52,167 (the product of \$50,000 and the fraction of  $313/300$  produced by the formula).

The term "CPI" means the United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, All Items (1967 = 100) for the Boston, Massachusetts SMSA. If such CPI shall be discontinued or modified, then the foregoing calculation shall be made using a comparable measure of increases in the cost of living in Boston, Massachusetts which includes or is reconstructed based upon those items and in their relative proportions as are measured in the CPI on the date of this Lease. Prior to announcement of the CPI for the reporting period which includes the first day of any Operating Year after the first Operating Year, Tenant shall pay Fixed Rent at an annual rate equal to 105% of the Annual Fixed Rent for the prior Operating Year, and Tenant shall pay any amount due on account of any increases thereover from application of the above CPI formula promptly upon such announcement.

The Rent Commencement Date shall be the date of the earlier to occur of the following:

(a) Occupancy of the Premises for purposes of conducting operations by Tenant or persons claiming under Tenant,

(b) The date of substantial completion of Tenant's Work (meaning completion thereof subject only to punch list type items which will not interfere materially with occupancy) as certified either by Tenant's architect or as determined by Landlord (but Landlord shall have no right to determine that Tenant's Work is substantially complete under this item (b) unless a certificate of occupancy has been issued therefor and other permits under environmental or other government laws and regulations have been obtained (excepting permits required because of Tenant's particular use of the Premises which Tenant is required to obtain under Section 5.5) as necessary to permit Tenant's occupancy of the Premises), and

(c) The date Tenant is required to complete Tenant's Work under Article III (as such date may be extended under Section 8.4).

If events (a) or (b) above have occurred with respect to some portion but less than all the Premises, the first day of the first month after the date of the earlier to occur with respect to such portion shall be deemed the Rent Commencement Date under this Lease. The amount of Fixed Rent due prior to occurrence of one of (a), (b) or (c) with respect to all portions of the Premises, however, shall be a percentage of the Annual Fixed Rent for the Operating Year in question equal to the rentable floor area of the portions of the Premises as to which item (a) or (b) have occurred divided by the total rentable floor area in the Premises.

4.3 Deferred Fixed Rental Payments In First Three Operating Years. For any time prior to the earlier of (i) expiration of the

third Operating Year and (ii) occupancy of 90% or more of the rentable floor area in the Premises by occupancy tenants with rent being payable therefor ("90% Occupancy"), payments of Fixed Rent shall be deferred in accordance with this Section.

Tenant shall use its best efforts to achieve 90% Occupancy as quickly as possible, and prior thereto shall answer, in reasonable detail, such reasonable inquiries as Landlord from time to time shall make regarding Tenant's occupancy leasing program and prospects and other related information. During any period when payment of Fixed Rent is deferred, Tenant on the first day of every other month shall certify to Landlord the percentage of the rentable floor area of the Premises then occupied by occupancy tenants with rent being payable therefor, and shall provide a current summary of Tenant's occupancy leasing program and prospects. If 90% Occupancy occurs other than on the first day of a month, Fixed Rent allocable to the remainder of such month shall be paid on such day.

Deferred amounts, plus interest thereon calculated as set forth below, shall be payable in 120 equal monthly installments (due on the first day of each month) commencing with the first month of the sixth Operating Year. All outstanding deferred amounts plus accrued interest shall be due and payable, however, upon any assignment, sale or other transfer of Tenant's interest in the Premises hereunder (which terms shall not apply to any transfer of interests by partners of Tenant so long as the general partners of Tenant are entities controlled by or under common control with O'Connell Enterprises, Inc., to at least the extent the general partners of Tenant are so controlled at the date hereof), upon any pre-payment of Tenant's initial leasehold mortgage financing, upon any default by Tenant hereunder continuing after expiration of applicable grace periods, or upon any termination of the Term of this Lease for any cause. The interest rate payable on amounts deferred during each Operating Year shall be the higher of (a) 75% of the interest rate on Tenant's leasehold mortgage financing in effect on the Interest Commencement Date for such Operating Year and (b) the interest rate payable on 15 year Treasury bills issued on or most recently prior to the Interest Commencement Date for such Operating Year. The "Interest Commencement Date" for any Operating Year shall be the earlier of first day of the subsequent Operating Year or the date 90% Occupancy occurs. All interest payable under this Section shall constitute additional rent.

**4.4 Method and Place of Payment.** Subject to Sections 4.2 and 4.3, Annual Fixed Rent shall be payable in advance in equal monthly installments on the first day of each month (pro rated for any partial month following the Rent Commencement Date (as described in Section 4.2) and at the end of the Term). Rent and other charges hereunder shall be payable to Landlord's Address set

forth in Section 1.1 or at such other places as may be set forth in notices from time to time from Landlord to Tenant.

4.5 Landlord's Share of Net Financing Proceeds. Landlord shall be entitled to additional rent equal to 25% of any net proceeds arising from mortgages subsequent to any initial permanent mortgage placed on Tenant's Leasehold interest in the Premises. "Net proceeds" in the prior sentence means the principal amount of such loan minus (i) the amount required to be paid in order to discharge the preceding mortgage loan and any amounts required to be paid on account of loans by partners of Tenant to Tenant made solely in order to fund Total Development Costs (as defined in Section 8.14) or third party operating expenses not otherwise paid from Partnership capital, revenues and borrowings ("Partners' Loans"), (ii) all amounts required to be paid to the holder of the mortgage being placed upon the Premises (consisting of standby and commitment fees, points, and such holder's legal fees, but not including any escrows, deposits or prepayments of interest or principal), and (iii) an amount equal to the difference between all capital contributions (as represented by cash and promissory notes) to Tenant by partners of Tenant (not to exceed \$ ) and the sum of previous cash distributions (if any) by Tenant to partners of Tenant under this clause (iii) from the principal amount of loans subject to the provisions of this Section. Additional rent due under this Section shall be paid to Landlord upon the disbursement of proceeds of each mortgage from which net proceeds are available hereunder. The provisions of this section shall not apply to Partner's Loans.

4.6 Net Return to Landlord. It is intended that Annual Fixed Rent and any additional rent paid under this Article shall be a net return to Landlord throughout the Term, free of all costs, except those which this Lease expressly makes Landlord responsible for bearing; and all provisions of the Lease shall be construed in terms of such intent.

## ARTICLE V

### Tenant's Covenants

5.1 Use. Throughout the term, Tenant shall continuously occupy the Premises in their entirety and use the Premises for the Permitted Uses set forth in Section 1.1 only, provided Tenant shall not be deemed in default under such covenant during periods of construction in the Premises in accordance with the provisions of this Lease nor during periods in which Tenant is diligently attempting to sublease space in the Premises. Landlord represents and warrants to its best knowledge the Permitted Uses constitute allowable uses on the date hereof under the Cambridge Zoning Code

(assuming that portions of the Premises subject to the occupancy sublease referred to in Section 8.12 will be occupied for hospital uses under such occupancy sublease). Landlord further agrees that it will assist physicians, dentists, and psychologists and other therapists wishing to lease space (or to join groups leasing space) at the Premises in applications for positions on the Cambridge Hospital medical staff upon request of Tenant from time to time. Tenant shall not injure, overload, deface or commit waste in the Premises or any part of Landlord's Property nor permit the occurrence of any nuisance therein or the emission therefrom of any objectionable noise or odor nor use the Premises for any purpose other than the Permitted Uses, nor obstruct in any manner any portion of Landlord's Property.

Notwithstanding the previous paragraph, if hospital uses are discontinued on Landlord's Property, Tenant shall have the right to use the Premises for any use permitted under applicable zoning laws (or variances or special permits granted thereunder). Tenant also shall have the right to terminate the term of this Lease within six months of any such discontinuance, exercisable by notice to Landlord effective 30 days after delivery.

If (i) Tenant is prevented from using the Premises for one or more of the Permitted Uses hereunder because of alteration of the Cambridge Zoning Code or the interpretation thereof by the City of Cambridge, after exercise by Tenant of reasonable efforts to obtain variances or permits allowing such use, (ii) in Tenant's reasonable judgment such fact will materially adversely affect the economic profitability of Tenant's operations at the Premises, and (iii) Tenant notifies Landlord of items (i) and (ii) and Landlord and Tenant are unable to agree on additional uses (if any) permissible under municipal zoning regulations as then interpreted or allowed to Tenant by variance or special permit after exercise of reasonable efforts which in Tenant's reasonable judgment would permit Tenant to conduct operations at the Premises approximately as profitably as if such alteration had not occurred, then Tenant shall have the right within 6 months of such alteration to terminate the Term of this Lease by notice to Landlord effective 30 days after delivery.

## 5.2 Taxes and Assessments.

5.2.1 Real Estate Taxes. Throughout the Term, Tenant agrees to pay, as additional rent, the following public charges (referred to herein as "real estate taxes"):

A. All real estate taxes, sewer and water use charges, assessments and other similar governmental charges, with penalties and interest (if any), which shall be levied, assessed, imposed or become liens upon the Premises or any part thereof or upon Landlord's Property or any part thereof by virtue of Tenant's use or occupancy of the Premises, and

B. All personal property taxes levied on the Premises, fixtures and other personal property located on the Premises or any part thereof.

Tenant shall pay the amounts of real estate taxes for which Tenant is responsible hereunder and shall submit to Landlord proof that the real estate taxes are paid at least 10 days prior to the last date on which the same may be paid from time to time without incurring any penalty or interest.

If the law permits payment of any real estate taxes to be deferred while challenging the amount due without any levy against the Premises or Landlord's Property, Tenant may defer payment of the same so long as the validity or amount of any such real estate tax is contested in good faith. Notwithstanding the foregoing, if Landlord so requests Tenant shall furnish Landlord a bond with sureties or other collateral reasonably satisfactory to Landlord in an amount equal to the amount of the deferred real estate tax and all interest thereon. Landlord agrees to cooperate with Tenant in any such contest. Tenant shall be entitled to all abatement proceeds allocable to periods within the Term for which Tenant has paid real estate taxes.

For the fiscal periods of public authorities assessing or imposing real estate taxes in which the Term begins and ends, real estate taxes (and any abatements or reductions allocable thereto) shall be apportioned between Landlord and Tenant so that Tenant shall be liable only for such proportion of real estate taxes which shall become due as the part of the fiscal period in question which is included in the Term bears to the whole of such fiscal period.

Tenant shall be entitled to the benefit of any right granted by public authorities to pay real estate taxes in installments and shall be liable only for those installments properly allocable to the Term.

5.2.2 Other Taxes. If the present system of ad valorem taxation of property is changed so that in lieu of the whole or any part of real estate taxes described in Section 5.2 there is imposed on the Premises or Landlord any general governmental tax, charge or fee (distinct from any federal or state income tax of general application now in effect) measured by or based in whole or in part upon property, capital, rents or other incidents or benefits of real property or real property operations then such shall be included as real estate taxes but only to the extent that the same would be payable if the Building were the only property of Landlord. The term real estate taxes shall exclude inheritance and transfer taxes and any taxes imposed solely upon hospitals or on account of hospital uses.

5.3 Utilities and Services; Snow Removal. Tenant shall arrange, provide and pay all costs (including deposits) for all water, sewer, gas, steam, electricity, and other energy, utilities and services used in the Premises. Landlord acknowledges that electric service is provided to the Premises from other buildings on Landlord's Property and agrees to maintain and not to interrupt such service during the Term (provided Landlord shall have the right to relocate the lines providing such service from time to time). Subject to the prior sentence, Landlord shall be under no obligation to furnish any such services and shall not be liable for (nor suffer any reduction in any rent on account of) any interruption or failure in the supply of the same. Landlord shall, however, provide snow plowing services on Tenant's Parking Spaces and walkways and sidewalks on Landlord's Property providing access to the Premises at the times and to the extent such services are provided to other parts of Landlord's Property. Tenant shall not be entitled to any damages, rent abatement or reduction or claim of constructive eviction from the Premises if Landlord is delayed in performing such service for any cause listed in Section 8.4.

#### 5.4 Insurance.

5.4.1 Public Liability Insurance. Tenant shall maintain throughout the Term (and such further time as Tenant occupies any part of the Premises) comprehensive public liability insurance against all claims for injury to persons or Property in connection with the Premises or Landlord's Property, naming Landlord (and other persons designated from time to time by Landlord) as additional insureds in an amount which shall at the beginning of the Term be at least equal to the amount set forth in Section 1.1, and from time to time during the Term shall be for such higher amount as may be reasonably directed by Landlord. Such insurance shall provide that it will not be subject to cancellation, termination or change except after at least 30 days prior written notice to Landlord (and other additional insureds). The policy or a duly executed certificate with a copy of the policy shall be deposited with Landlord at the beginning of the Term, and renewals shall be so deposited not less than 30 days prior to expiration of the preceding policy.

5.4.2 Property Insurance. Tenant shall maintain throughout the Term (and such further time as Tenant occupies any part of the Premises) so-called all risk insurance with so-called replacement cost and agreed value endorsements, with such exclusions from coverage deleted as Landlord may from time to time reasonably direct, with boiler insurance covering any boiler on the Premises and with rent continuation coverage of no less than 12 months Annual Fixed Rent (as set forth in Section 1.1 or such higher amount as may be applicable from time to time under this Lease). The all risk property insurance shall be in an amount not

less than 100% of the actual replacement value of all improvements on the Premises, excluding foundations, and with a deductible of \$5,000 or less. The actual replacement value of such improvements shall be determined from time to time (but not more often than once in any five year period) upon Landlord's request by one of the insurers or an independent appraiser reasonably satisfactory to Landlord, which determination shall be arranged by Tenant, and shall be paid for by Tenant if the appraised replacement value exceeds the replacement value then set forth in Tenant's property insurance coverage and otherwise by Landlord. Any builder's risk coverage with respect to Tenant's Work shall be completed value, non-reporting type with any restrictions on occupancy prior to completion deleted. If any policy provides for a deductible, then upon the occurrence of any casualty involving a cost of repair in excess of \$50,000 Tenant shall pay the amount of the deductible to the Insurance Trustee under Section 6.1 upon demand, which amount shall be disbursed under Section 6.1 as if such amount were insurance proceeds. All policies shall be written with insurers of recognized responsibility qualified to do business in The Commonwealth of Massachusetts and acceptable to Landlord, shall name Landlord and Tenant as insured parties as their interests may appear, shall also name any mortgagee of Tenant's leasehold interest if such mortgagee shall so request and any other person from time to time designated by Landlord and shall provide (and the insurer issuing such policy shall certify to Landlord and any such persons) substantially that (i) loss payments will be payable solely in accordance with the provisions of Section 6.1, (ii) the interest of Landlord (and such persons) shall be insured regardless of any breach by Tenant and/or Landlord of any declarations or conditions in the policy, or of any act or neglect by Tenant or Landlord, or of any occupation of the Premises for purposes more hazardous than permitted under the policy, or of any change in ownership of Landlord's Property or this leasehold or of any interests in either; (iii) if such insurance is subject to cancellation or is endorsed or sought to be endorsed to effect a change which reduces coverage, the insurer will promptly notify Landlord (and such persons) and such cancellation or change shall not be effective as to them for 30 days after receipt by them of such notice; and (iv) Landlord (or any such persons) may, but need not, make premium payments to prevent cancellation, and such payments shall be accepted by the insurer. Tenant shall furnish to Landlord (and such persons) executed copies of each policy upon the date hereof and like copies of each renewal policy no less than 30 days prior to the expiration of the preceding policy together with receipts or other events that premiums have been paid. Landlord is irrevocably appointed attorney-in-fact for Tenant (which appointment shall survive termination of the Term) with full power of substitution in its own name or in the name of Tenant to obtain any required insurance, to assign Landlord's rights under any policy of insurance in the event transfer of all or any part of Landlord's interest in the Premises or this lease,

or to endorse and negotiate any draft or other instrument issued by any insurer in payment of any loss or any dividend or return premium. Tenant agrees that it shall never have any interest in any insurance or the proceeds thereof referred to in this Section except as set forth herein.

5.4.3 Waiver of Subrogation. Any insurance carried by either Landlord or Tenant with respect to the Premises or personal property on the Premises shall include an endorsement denying to the insurer rights of subrogation against the other party. Without limiting any other provisions of this Lease each party hereby waives any rights of recovery against the other for injury or loss due to hazards covered by such insurance to the extent of the indemnification received thereunder.

5.5 Maintenance and Repairs. Tenant shall keep the Premises, Tenant's Parking Spaces, and all landscaping and other improvements installed on Landlord's Property near or specifically to serve the Premises pursuant to Article III in at least as good repair and condition as the same are at the completion of Tenant's Work or such better, order, repair and condition as the same are put in thereafter, any reasonable wear and tear consistent with the quality of the Premises excepted. Damage or destruction resulting from casualty and that resulting from takings (as defined in Section 6.2.1) shall be governed by Article VI. Tenant shall make any repairs, alterations, additions and replacements to the Premises (including equipment, facilities, signs and fixtures therein and thereon, and including all necessary painting and decorating) ordinary or extraordinary, structural or otherwise, foreseeable or unforeseeable, which are necessary to maintain such repair and condition. Tenant shall also make all repairs, alterations, additions and replacements required by any law or ordinance or any order or regulations of any governmental authority having jurisdiction, and shall keep the Premises equipped with all safety appliances so required. Tenant shall procure any licenses and permits required because of Tenant's use of the Premises.

5.6 Alterations and Replacements. Except as permitted by Article III, Tenant shall not make any additions or alterations to the Premises which would affect the exterior, roof or structure of the Premises or which involve a cost in excess of \$50,000 or which would materially reduce the value of the Premises, nor shall tenant construct any signs visible from the exterior of the Premises, except in accordance with plans and specifications sufficient in Landlord's judgment to describe the work to be performed and approved by Landlord in advance. Such approval shall not be unreasonably withheld so long as approval is required under the prior sentence solely because the cost of such work will exceed \$50,000 or if the work is otherwise required by the terms of this lease.

Any additions or alterations shall be performed without damage or disruption to others by contractors able to work in harmony with union labor. The identity of all contractors directly engaged by Tenant shall be subject to Landlord's prior approval, which shall not be unreasonably withheld; and all direct contractors shall be engaged on a fixed price or cost plus a fixed fee (subject to a guaranteed maximum) basis with prior notice to Landlord of the fixed price or guaranteed maximum. Tenant shall procure all necessary governmental approvals before undertaking any work, and shall perform all work at its risk in a good and workmanlike manner employing new materials of good quality and producing a result at least equal in quality to the other parts of the Premises. Tenant shall pay promptly when due the entire cost of any such work so that the Premises shall at all times be free of liens for labor and materials and if Landlord requests, Tenant shall obtain so-called statutory lien bonds protecting Landlord's interest in the Premises from labor and materials liens arising out of such work. When any such work is in progress, Tenant shall maintain workmen's compensation insurance required by law covering all persons employed in such work and such other insurance as may be reasonably required by Landlord covering any additional hazards due to such work in each case to the benefit of Landlord. It shall be a condition of Landlord's approval of any plans for such work that certificates of such insurance shall have been deposited with Landlord and the other conditions of this Section are satisfied. Tenant shall indemnify and hold Landlord harmless from all injury, loss, claim or damage to any person or property occasioned by or arising out of any such work excluding injury, loss, claim or damages attributable to Landlord's negligence or willful misconduct.

5.7 Assignment and Subletting. Tenant may not assign this Lease; sublease the Premises; or license or grant easements or rights in the Premises or any part thereof without obtaining on each occasion the prior consent of Landlord, which consent shall not be unreasonably withheld in the case of any occupancy sublease of less than all of the Premises provided (i) that such sublease shall be on the terms of a sublease form to be approved by Landlord, with such variations therefrom as may be reasonably requested by the sublessee and are not materially inconsistent with the provisions of this Lease or reasonable commercial leasing practice (subleases hereunder shall be submitted to Landlord with changes from the approved sublease form highlighted); (ii) that the rent provided in such sublease is greater than or equal to rent then payable per square foot under the occupancy lease referred to in Section 8.12 or, if lower, is at a rate reasonably required in light of then prevailing economic and market conditions in order to obtain an occupancy tenant for the premises in question (the amount of rent shall be reduced by an amount derived by amortizing on a straight line basis (with interest at the so-called base rate from time to time announced by the First

National Bank of Boston at its head office in Boston, Massachusetts) the cost per square foot of any tenant work, rent reduction or other allowance provided by Landlord under a lease (to the extent the same exceeds 10% of the rent reserved during the term of such lease) over the term thereof considered without regard to extension options) and (iii) that the term of such sublease shall not continue more than 5 years beyond the termination of the term of this Lease. Notwithstanding any assignments, subleases, licenses and easements, the original Tenant named herein shall remain directly and primarily obligated under this Lease. Any assignees of this Lease and subtenants of the entire Premises shall agree directly with Landlord to be bound by the terms of this Lease. Any occupancy sublease shall include a provision obligating the tenant thereunder to continue to be bound by such lease for the balance of the term thereof after the expiration or earlier termination of the Term of this Lease. (Landlord shall likewise agree on request not to disturb any occupancy tenant in such circumstances so long as such tenant complies with the terms of its lease.) Such obligation may be accomplished through Landlord being a party to such an occupancy sublease (as Landlord thereunder to the extent of Landlord's reversionary interest), through attornment and non-disturbance agreements or through such other methods as Landlord approves.

5.8 Indemnification. Subject to the rights reserved by Landlord, Tenant shall assume exclusive control of the Premises and Tenant shall bear the sole risk of all liabilities (including tort liabilities) incident thereto. Tenant shall indemnify, save harmless and defend Landlord (and persons acting under Landlord) from all liability, claim or cost (including reasonable fees of legal counsel of Landlord's choice) arising in whole or in part out of any injury, loss or damage to any person or property while on the Premises or on Landlord's Property on account of matters relating to the Premises, or in transit to or from the Premises, or out of any condition within the Premises, or out of any breach by Tenant or persons acting under Tenant of any covenant of this Lease and occupancy subleases and other agreements related to the Premises, in each case paying the same to Landlord on demand as additional rent. The covenants of this Section shall survive the termination of the Term.

5.9 Personal Property at Tenant's Risk. All personal property of Tenant or persons claiming through Tenant on the Premises or elsewhere on Landlord's Property shall be at the sole risk of Tenant.

5.10 Landlord's Entry. Tenant shall permit Landlord and its agents upon reasonable prior notice (except in emergencies) to enter and examine the Premises at all reasonable times and, if Landlord shall so elect, to make any repairs or replacements Landlord may deem necessary, to remove at Tenant's expense any

alterations or additions which required Landlord's consent under Section 5.6 and were not consented to by Landlord, and to show the Premises to prospective tenants during the 18 months preceding expiration of the Term and to prospective purchasers and financing parties at all times.

5.11 Expenses and Attorneys' Fees. Tenant shall pay as additional rent Landlord's expenses (including attorneys' fees) incurred in enforcing any obligations of Tenant under this Lease with which Tenant has failed to comply.

5.12 Yield Up. At the termination of the Term, Tenant shall without the necessity of notice surrender the Premises in the condition specified in Section 5.5 hereof.

5.13 Local Employment. Prior to and during construction of Tenant's Work, Tenant shall use its best efforts to employ or cause to be employed in the construction of Tenant's Work residents of the City of Cambridge and construction firms or contractors located in the City of Cambridge. Consistent with this undertaking and subject in all respects to federal and state nondiscrimination laws and affirmative action requirements, such efforts shall include without limitation notification of the Eastern Middlesex Human Resource Development Administration ("EMHRDA") and/or any other agency from time to time designated by Landlord of any employment opportunities related to the Premises at least 7 days prior to general advertisement of such opportunities, and advertisement of such employment opportunities in newspapers of general circulation in Cambridge at least 7 days prior to any advertisement in any other news media. One year after the Term Commencement Date and on each anniversary thereafter until the anniversary immediately following completion of Tenant's Work, Tenant shall submit to EMHRDA a report containing the total number of employees hired by type of job category and the number of Cambridge residents included in each such category and in such total. The City of Cambridge is desirous of coordinating its manpower training programs to the needs of Tenant. To this end, Tenant hereby agrees to cooperate with the City of Cambridge in Cambridge's efforts to formulate training programs to enable Cambridge residents to meet job qualifications at the Premises.

In addition, Tenant throughout the Term in an effort to maximize local employment opportunities will cooperate (and will require the managing agent of the Premises from time to time to cooperate) in good faith with elected and appointed representatives of the City of Cambridge to create and maintain an effective reporting and referral local employment process, such cooperation to include when possible and feasible the insertion in occupancy subleases a clause whereby tenants thereunder would affirmatively participate in this effort.

5.14 Minority Business Employment. Tenant shall use its best efforts to cause at least 10% of all expenditures associated with redevelopment and operation of the Premises to be paid to bonafide minority business enterprises. In such connection, Tenant shall cooperate with such programs and procedures as Landlord may from time to time suggest to further employment of minority business enterprises (providing such cooperation does not require Tenant to incur material direct out-of-pocket costs) and shall provide such information regarding such employment as Landlord may from time to time request. A "minority business enterprise" is an enterprise conducted by a minority group of individuals or by an entity at least 51% of the voting shares of which are owned by minority group members. A "minority group member" is a United States citizen who is Negro, Spanish-Speaking, Oriental, American Indian, Eskimo or Aleut.

5.15 Managing Agent. Landlord's consent shall be required prior to any selection of a managing agent for the Premises from time to time. Landlord hereby approves Appleton Corporation as the initial managing agent for the Premises. Tenant hereby agrees (and all management contracts shall provide) that notice shall be given to Landlord reasonably prior to the commencement of each fiscal year of Tenant (or other appropriate anniversary with respect to budgeting and engagement of persons to perform cleaning and security services in the Premises) setting forth the projected costs for cleaning and security of the Premises during the pending year. Landlord shall notify Tenant if Landlord believes that Landlord (or persons contracting with Landlord to furnish such services at other buildings on Landlord's property) can furnish such services to the Premises at costs below those set forth in Landlord's notice. In such circumstances, Tenant shall engage the parties suggested by Landlord (as long as such parties are willing to agree to perform such services at costs below those set forth in Landlord's notice) rather than parties originally contemplated by Tenant for such work so long as such engagement will not result in an increase in operating costs for the Premises as a whole for such year nor in Landlord's or Tenant's reasonable judgment cause higher operating costs for the Premises over the reasonably foreseeable future.

5.16 Fine Art. Subject to the provisions of this Section, Tenant shall install and during the Term maintain fine art in the Premises pursuant to a fine art program suggested by Landlord or its designee and approved by Tenant. Tenant shall not be required to expend an amount greater than 1% of Tenant's construction costs for Tenant's Work to initially install fine art hereunder. Public access to such works of fine art shall be as free as possible in Tenant's reasonable judgment given the reasonable security needs of the Premises, and Tenant throughout the Term shall maintain such works and replace damaged or destroyed works with works of equivalent value suggested by Landlord and approved by Tenant.

Tenant's approval required under this Section shall not be unreasonably withheld or delayed.

## ARTICLE VI

### Casualty by Fire or Other Peril; Eminent Domain

6.1 Casualty. Tenant covenants and agrees that, in case of damage to or destruction of the Premises by fire or other casualty, whether insured or uninsured, Tenant will notify Landlord of the extent of the damage and the estimated cost of repairing same. In the event of an uninsured casualty involving destruction of all or substantially all the Premises, either party shall have the right to terminate this Lease by notice to the other within 60 days of the casualty. Unless there is an uninsured casualty and the Lease is so terminated, Tenant will promptly, at its sole cost and expense (including any insurance proceeds made available hereunder), restore, repair, replace, rebuild or alter the Premises as nearly as possible to their condition immediately prior to such damage provided that plans and specifications for all such work and Tenant's arrangements for the performance thereof have been approved in advance by Landlord, which approval shall not be unreasonably withheld. Without limitation, Landlord shall be entitled to all of the protections and assurances accorded Landlord under Article III with respect to Tenant's Work. Such restoration, repair, replacement, rebuilding or alteration shall be begun upon the earlier of payment of insurance proceeds (or a portion thereof) to the party designated to receive such proceeds hereunder or the date 90 days after the casualty and diligently prosecuted to completion.

In the case of damage or destruction involving a cost of repair of \$50,000 or less, any insurance proceeds shall be paid to Tenant and shall be applied by Tenant to the cost of the work. In the case of damage or destruction involving a cost of repair of more than \$50,000 any insurance proceeds shall be paid to an Insurance Trustee (as hereinafter defined) and subject to the provisions of this Section shall be applied by the Insurance Trustee directly to the payment of bills submitted in connection therewith upon receipt by Landlord and the Insurance Trustee of:

(1) Bills from contractors and subcontractors for work and materials theretofore applied to the work and in place by such contractors or subcontractors describing in reasonable detail such work and materials and, where such bills represent in whole or in part work or materials supplied by a person other than the contractor or subcontractor submitting such bill, a sworn statement of waiver and release of lien with respect to such work and materials executed by such third person;

(2) A certificate signed by Tenant (i) requesting payment of the bills referred to in paragraph (1), (ii) stating that the amount of each such bill does not exceed the cost of such work and materials, including as a part thereof the reasonable fees of any architect or engineer, and (iii) stating that no part of such cost has previously been made the basis of any request for the withdrawal of insurance proceeds under this Section; and

(3) A certificate of the architect or engineer in charge of the work, or if there is no architect or engineer, a certificate of a third party not in the regular employ of Tenant, which architect, engineer or third party must be reasonably approved by Landlord, stating (i) that the work and materials described in the bills were necessary or appropriate and are in place, (ii) that the amount specified in the bills does not exceed the reasonable cost of such work and materials, (iii) that, in the case of each bill, the work or material described therein, to the best knowledge of such architect, engineer or third party, has been supplied by the contractor or subcontractor submitting such bill or, where relevant, by a person who has submitted a sworn statement and release of lien pursuant to paragraph (1), and (iv) specifying the additional amount, if any, required to complete the work.

If during any period when the Insurance Trustee holds insurance proceeds, Tenant shall default under this lease, the Insurance Trustee shall suspend payments to Tenant under this Section until the Landlord notifies the Insurance Trustee that such default has been cured. If the Term of this Lease is terminated by Landlord while the Insurance Trustee holds insurance proceeds, the Insurance Trustee upon notice of such termination from Landlord shall promptly disburse the remaining proceeds to Landlord and any other party designated by Landlord.

If insurance proceeds shall be insufficient to pay all costs of the work, Tenant shall pay the deficiency (before requesting the disbursement of insurance proceeds from the Insurance Trustee) and shall nevertheless proceed to complete the work and pay the cost thereof. Any balance of insurance proceeds remaining over and above the cost of the work shall be paid to Tenant as provided above upon the receipt by Landlord and the Insurance Trustee of certificates as required by this Section to the effect that the work has been completed and evidence reasonably satisfactory to Landlord that there are no liens on the Premises as a result thereof.

If a casualty occurs when a recognized first mortgage institutional lender holds a first mortgage on Tenant's leasehold hereunder, such lender shall be the Insurance Trustee if such lender agrees so to serve. Otherwise the Insurance Trustee shall

be designated by Landlord and shall be a national bank or commercial bank or the holder of a mortgage on Landlord's Property or portions thereof including the Premises which is agreeable to acting as Insurance Trustee hereunder.

The Term shall continue and this Lease shall remain in full force and effect with no abatement of rent notwithstanding any damage to or destruction of the Premises unless terminated by Landlord or Tenant hereunder.

## 6.2 Eminent Domain.

6.2.1 Complete Taking. If, during the Term, the entire Premises are taken by eminent domain or destroyed by the action of any public or quasi-public authority or in the event of a conveyance in lieu thereof (collectively referred to as "taking"), this Lease shall terminate as of the date possession shall be taken by the authority. All sums received or recovered by either Landlord or Tenant or any other person as a result of such taking (excepting relocation expenses of occupancy tenants specifically so designated) shall be applied and paid in the following order of precedence:

(a) to Landlord, the proportion of the award which the value of Landlord's reversionary interest in the Premises bears to the fair market value of the Premises, both valued as though the taking in question had not occurred and as though this Lease had continued in full force and effect through the expiration of the Term (if Landlord and Tenant cannot agree on the above values, the values shall be established by arbitration under Section 8.21); and,

(b) to Tenant, the balance of all sums so recovered.

6.2.2 Partial Taking. If only a part of the Premises are the subject of a taking, and the portion remaining will, after restoration, permit the Premises to be operated satisfactorily as a quality hospital and medical office building, then this Lease shall continue in full force and effect provided the Annual Fixed Rent and any other recurring charges hereunder shall be abated proportionately to the diminution in the value of the Premises. Tenant shall restore the Premises to the extent practicable, and net proceeds of the damages awarded shall be applied thereto in the manner described in Section 6.1 (Tenant being required to commence such work upon the earlier of payment to the appropriate party hereunder of such net proceeds (or any portion thereof) or the date 90 days after such taking). Any balance shall be paid to Landlord, up to an amount equal to the value of the portion of Landlord's Property under the Premises which was taken plus the value of Landlord's reversionary interest in the portion of the Premises taken, with the remainder payable to Tenant. If the

parties disagree as to whether the Premises after such a taking may be operated satisfactorily as described above the issue of satisfactory operation may be submitted, by either party, to arbitration under Section 8.21. If it is decided that the Premises may not be operated satisfactorily, as described above, Tenant may, at its option, terminate the Term effective as of the date of taking upon notice to Landlord delivered within 30 days after the issue of satisfactory operation is resolved. Tenant may thereafter remove fixtures and equipment from the Premises which Tenant is required or permitted to remove hereunder. If the Term is so terminated by Tenant, the net proceeds of the damages awarded shall be distributed as provided for a complete taking in Section 6.2.1.

6.2.3 Cooperation Between Landlord and Tenant. Tenant shall have the right to choose counsel and to direct all proceedings hereunder provided that the choice of counsel and all decisions affecting Landlord's rights hereunder shall be subject to Landlord's consent (which shall not be unreasonably withheld). Tenant may not, without Landlord's consent, agree to any award or settlement which will not be sufficient to make full payment to Landlord of amounts payable to it under Sections 6.2.1 (a) or 6.2.2, as the case may be.

Subject to the foregoing, Tenant shall institute and prosecute such proceedings as may be reasonably required to obtain an adequate award for damages to the Premises resulting from any taking, such proceedings to be brought in the name of Landlord or Tenant, or in the names of both of them, as counsel shall determine. (Alternatively, however, Tenant may elect to pay Landlord the amount due Landlord under Sections 6.2.1 (a) or 6.2.2 and upon such payment Tenant shall be excused from any obligation to institute or prosecute proceedings). The cost of such proceedings shall be paid by Tenant, and upon receipt of the award, Tenant shall be reimbursed for such cost out of the award before the application and payment thereof as provided in this Section 6.2. To the extent that such expenses need not be paid until receipt of the award, the same shall be paid out of the award before the application and payment thereof as provided in this Section 6.2.

All rights to damages to the Premises and the leasehold occurring hereunder in connection with a taking shall be included in the award and Landlord and Tenant hereby agree that Landlord's and Tenant's rights to such damages and awards shall be exclusively as set out herein. Each party covenants to execute and deliver such further instruments of assignment thereof as the other may from time to time request, to the end that such damages and awards may be allocated as hereinabove provided.

## ARTICLE VII

### Default

7.1 Events of Default. If Tenant fails to pay Annual Fixed Rent, additional rent or any other sum due within 14 days after notice, or to perform any other covenant within 30 days after notice (provided however that such 30 day period shall be reasonably extended if the matters complained of can be corrected but the correction requires more than 30 days and Tenant begins to cure promptly within such period and thereafter diligently completes the cure), or if Tenant's leasehold shall be taken on execution or by other process of law, or if any of Tenant, or any sublessee or assignee of Tenant's entire interest hereunder ("Assignee") executes an assignment for the benefit of creditors, a trust mortgage or similar document; or if any court of competent jurisdiction issues an attachment of more than a minimal amount of the interest of Tenant or Assignee in any property, such attachment is not bonded and in Landlord's reasonable judgment Tenant's financial stability could be materially adversely affected as the result of the proceedings giving rise to such attachment; or if Tenant or Assignee is or becomes insolvent; or if a receiver, guardian, conservator, trustee, custodian or similar officer is appointed for any part of the property of Tenant or Assignee; or if a petition under any insolvency or bankruptcy law including a petition for reorganization is filed by or against Tenant or any Assignee; then in any such case Landlord lawfully may, in addition to any other rights for this or any preceding breach, immediately or at any time thereafter and without demand, notice or process of law enter upon any part of the Premises in the name of the whole (forceably if necessary) or mail a notice of termination to Tenant and thereby repossess the same as of Landlord's former estate. Upon such entry or mailing, as the case may be, the Term shall terminate, all executory rights of Tenant and obligations of Landlord under this Lease shall immediately cease and Landlord may expel Tenant and persons claiming through Tenant (except persons whom Landlord has agreed in writing not to disturb) and remove their effects (forceably if necessary) without being deemed guilty of any trespass and without prejudice to any other remedies available for arrears of rent or other breach. Tenant waives any statutory and equitable rights in the nature of further cure or redemption. Tenant agrees that a notice by Landlord alleging any default shall constitute a statutory notice to quit and waives any further notices to quit or of intention to reenter.

7.2 Reimbursement of Landlord's Expenses. In the case of termination of this Lease pursuant to Section 7.1, Tenant shall reimburse Landlord for all expenses arising out of such termination, including without limitation all costs incurred in collecting amounts due from Tenant under this Lease (including

attorneys fees, costs of litigation and the like). The reimbursement shall be paid to Landlord upon demand as additional rent.

7.3 Damages for Default. If Landlord terminates for default, Tenant agrees to pay forthwith to Landlord a single lump sum payment equal to the sum of (i) all Fixed Rent, additional rent and all other sums due to the date of payment (plus accrued interest), plus (ii) the excess of the rent reserved for the residue of the Term (calculated as if Annual Fixed Rent in each succeeding Operating Year was 105% of Annual Fixed Rent in the prior Operating Year) over the fair market rent of the Premises for the residue of the Term (adjusted to deduct any unreimbursed Landlord's expenses in repossessing the Premises).

In lieu of any other damages or recovery by Landlord of sums payable under the foregoing provisions of this Section 7.3, Landlord may by written notice to Tenant after termination for default elect to recover and Tenant shall thereupon pay as liquidated damages an amount equal to the aggregate of the Annual Fixed Rent and all additional rent accrued and payable in the twelve months next preceding such termination, plus the amount of Annual Fixed Rent, additional rent (including the amount of reimbursement due under Section 7.2) and all other charges accrued and payable until the time such liquidated damages are paid.

Notwithstanding any other provision of this Section, upon any termination for default hereunder Tenant shall promptly pay to Landlord any outstanding principal balance of Annual Fixed Rent deferred under Section 4.3 plus accrued interest thereon.

7.4 Remedies Cumulative; Jury Waiver. All rights and remedies of Landlord shall be cumulative and any two or more may be exercised at the same time. Nothing in this Lease shall limit the right of Landlord to prove and obtain in proceedings for bankruptcy or insolvency an amount equal to the maximum allowed by any statute or rule of law in effect at the time; and Tenant agrees that the fair value for occupancy of all or any part of the Premises at all times (if it shall be necessary to establish such value for purposes of such proceedings) shall be no less than the Annual Fixed Rent and all additional rent payable from time to time in accordance with the terms of this Lease. Landlord and Tenant waive trial by jury in any action to which they are parties. Tenant further agrees that it shall not interpose any counterclaim or set-off in any summary proceeding or in any action based in whole or in part on nonpayment of rent except to the extent Tenant has not received rent due and owing under the occupancy sublease described in Section 8.12, with respect to which amount Tenant shall have a right of counterclaim or set-off.

## ARTICLE VII

### Miscellaneous

8.1 Waivers of Default; Accord and Satisfaction. No consent by either party to any act or omission which otherwise would be a breach shall be construed to permit other similar acts or omissions. Failure to seek redress for violation of or to insist upon the strict performance of any covenant by either party or the receipt by Landlord of rent with knowledge of any breach, shall not be deemed a consent to or waiver of such obligation or breach. No breach shall be deemed to have been waived unless the waiver is in writing and signed by the other party and no acceptance by the waiving party of a lesser sum than the Fixed Rent, additional rent or any other sum due shall be deemed to be other than on account of the earliest installment of such rent or other sum due. Nor shall any endorsement or statement on any check or in any letter accompanying any check or payment be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or pursue any other right or remedy.

8.2 Quiet Enjoyment. Upon performing all covenants of this Lease, Tenant may peaceably and quietly enjoy the Premises during the Term subject always to the terms of this Lease, provisions of law and rights of record to which this Lease is or may become subordinate.

8.3 Notice. All notices, consents, approvals and the like shall be in writing and shall be delivered or mailed as certified mail, return receipt requested addressed, if to Tenant, at Tenant's address set forth in Section 1.1, or at such other address as Tenant shall have last designated by notice to Landlord, and if to Landlord to the City Manager at Landlord's address set forth in Section 1.1 with a copy to City Solicitor, City Hall, 975 Massachusetts Avenue, Cambridge, Massachusetts 02139, or such other address as Landlord shall have last designated by notice to Tenant. If requested Tenant shall send copies of all notices in like manner to other persons designated from time to time by Landlord. Any notice so addressed shall be deemed duly given on the fifth business day following the day of mailing, whether or not accepted by the addressee.

8.4 Excusable Delay. If either party is delayed in doing any act (other than payment of Fixed Rent, additional rent or any other charge to Landlord hereunder or payment of insurance premiums) as the result of war, civil commotion, fire, flood or other casualty, labor difficulties, unavailability of labor, materials, equipment, energy or utility services, unusually severe weather or other like causes beyond such party's reasonable control then the delay shall not be counted in determining the

time during which such act is to be completed, or, if a specific date is provided for completion of the act, such date shall be extended by a period equal to the period of delay. No extension shall be permitted with respect to the Term Commencement Date or the Term Expiration Date. If any such event occurs prior to the date of completion of Tenant's Work, Tenant shall notify Landlord promptly upon occurrence of the event and any consequent delay; failure to give notice within 14 days after the period of delay is ended shall constitute a waiver of rights to extend the dates set forth in Section 3.1 for completion of Tenant's Work and (if the Rent Commencement Date has not then occurred) in Section 4.2 for the Rent Commencement Date.

8.5 Zoning and Other Land Use Matters. Subject to the provisions of this Section, Landlord hereby agrees to cooperate with Tenant when and as reasonably requested by Tenant (such request to include all information which may be material to Landlord with respect to the matter in question) in such proceedings with governmental authorities having jurisdiction as Tenant from time to time may with Landlord's prior approval (not to be unreasonably withheld) institute and prosecute in order to obtain amendments, variances, permits and the like under zoning laws and other land use regulations or restrictions applicable to the Premises (including without limitation proceedings which Tenant may institute in the event of changes in zoning laws or interpretations thereof affecting the Premises). Landlord shall at no time be required to expend any funds in connection with any matters referred to in this Section and Tenant shall indemnify Landlord against any and all costs, expenses, damages or liabilities (including reasonable attorneys' fees for review of such matters or in any other connection) which Landlord may incur in connection with any matter referred to in this Section.

8.6 Brokerage. Tenant warrants and represents to Landlord that it has not dealt with any broker in connection with this Lease or the Premises and agrees to indemnify and save Landlord harmless in the manner elsewhere provided in this Lease from any breach of this warranty and representation. This warranty and representation shall survive the termination of the Term.

8.7 Limitation of Landlord's Liability. Tenant agrees that Landlord shall be liable only for breaches of its obligations occurring while it is owner of Landlord's Property (provided, however, that if Landlord shall ever sell and lease back Landlord's Property or the ground or the improvements constituting same then Landlord's Property shall be deemed to mean only Landlord's leasehold interest). Neither Landlord nor any trustee, beneficiary, partner, manager, agent or employee of Landlord and its successors and assigns shall ever be personally or individually liable. In no event shall Landlord ever be liable to Tenant (or such persons) for indirect or consequential damages.

8.8 Applicable Law and Construction. This Lease may be executed in counterparts and shall be construed as a sealed instrument in accordance with the laws of The Commonwealth of Massachusetts. If any provisions shall to any extent be invalid, the remainder shall not be affected. This Lease contains all the agreements between Landlord and Tenant with respect to the Premises and Landlord's Property and supersedes all prior dealings between them. It may be amended only by an instrument in writing executed by Landlord and Tenant. The provisions of this Lease shall bind Landlord and Tenant and their respective successors and assigns, and shall inure to the benefit of Landlord and its successors and assigns and of Tenant and its permitted successors and assigns. Captions are for convenience only and shall not be considered part of the Lease. The enumeration of specific examples of general provisions shall not be construed as a limitation of the general provisions. The submission of a form of this Lease or any summary of its terms shall not constitute an offer by Landlord to Tenant; but a leasehold shall only be created and the parties bound when this Lease is executed and delivered by both Landlord and Tenant. Nothing herein shall be construed as creating the relationship between Landlord and Tenant of principal and agent or of partners or joint venturers or any relationship other than Landlord and Tenant.

8.9 Estoppel Certificate. Upon not less than 10 days prior request, Landlord and Tenant agree each in favor of the other to execute, acknowledge and deliver a statement certifying that this Lease is unmodified and in full effect (or if there have been modifications that the same is in full effect as modified and stating the modifications), and the dates to which Fixed Rent (and additional rent and all other charges) have been paid and any other information reasonably requested. Both parties agree that any such statement may be relied upon by any person to whom the same is delivered.

8.10 Notice of Lease. Neither party shall record this lease but each party will upon the request of the other execute a recordable notice of lease in form reasonably acceptable to both and upon termination of the Term for whatever reason a like notice of termination of lease. Tenant irrevocably appoints Landlord as its attorney-in-fact (which appointment shall survive termination of the Term) with full power of substitution to execute, acknowledge and deliver a notice of termination of lease in Tenant's name if Tenant fails to do so within ten days of any request.

8.11 Authorized Representatives. Either party may from time to time designate to the other authorized representatives to act on behalf of the designating party hereunder. The other party may while such designation continues rely on the acts of such authorized representative as to the act of the designating party

without further inquiry. At the date hereof, Landlord hereby designates as its authorized representative the Cambridge City Manager from time to time. At the date hereof, Tenant hereby designates as its authorized representative Larry Tully.

8.12 Occupancy Sublease To City. Simultaneously with the execution hereof, Tenant shall enter into an occupancy lease of certain portions of the Premises to the City of Cambridge for use by the Department of Psychiatry at Cambridge Hospital and other hospital uses.

If the City shall fail to exercise its option under such lease to extend the initial term thereof after 25 years, or if such lease shall be terminated on account of the City's default thereunder, and Tenant is unable, after reasonable efforts, to re-rent the portion of the Premises originally leased to the City (i) for hospital uses, (ii) for other Permitted Uses hereunder, or (iii) for other uses permitted under the then current zoning laws in Cambridge or under variances or special permits granted pursuant thereto and approved by Landlord (such approval shall not be withheld unless Landlord reasonably deems such uses incompatible with the uses then made of the remainder of Landlord's Property), in any case under terms comparable to or better than the terms under which such space was rented to Landlord, then Tenant shall have the right within six months after such failure to terminate the Term of this Lease. Such right shall be exercisable by notice to Landlord effective 30 days after delivery.

8.13 Interruption. Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from the necessity of Landlord or its agents entering the Premises for any purposes authorized in this Lease.

8.14 Leasehold Financing. From time to time during the Term Tenant may finance by giving as security for such financing a first security interest in Tenant's interest under this Lease. Landlord shall incur no obligation with respect to such financing or costs and expenses incurred incidental thereto. Tenant hereby covenants and agrees to pay all amounts required in connection with such financing (including attorneys' fees incurred by Landlord).

Notwithstanding the foregoing, if requested by Tenant Landlord shall agree with a mortgagee loaning funds to Tenant secured by Tenant's interest on the Premises in accordance with the requirements below that, in the event of foreclosure by such mortgagee upon Tenant's interest in the Premises, Landlord will waive any payment of Fixed Rent required under the terms of this Lease on account of the period from the date of such foreclosure

until 90% of the rentable floor area of the Premises is occupied by occupancy tenants with rent being payable therefor, provided that during any period rent is waived hereunder such mortgagee, and any successor to its interest in the Premises, shall certify to Landlord bi-monthly the percentage of occupancy in the Premises by the occupancy tenants paying rent therefor together with such other information regarding leasing programs and prospects for the Premises as Landlord shall reasonably request.

Any such mortgages shall be first mortgages securing financing made by recognized first mortgage institutional lenders. Tenant hereby agrees timely to make all payments required by and faithfully to perform all of mortgagor's undertakings contained in any such mortgage, and Tenant shall pay all expenses incurred by, or charged to, the mortgagor. Each such mortgage shall contain a provision requiring the holder to notify Landlord and other parties designated by Landlord of any default under such mortgage in sufficient time to allow them to cure any such default. Such right of Landlord and such parties to cure shall be expressly set forth in such instruments. In connection with all transactions hereunder, Tenant agrees to pay to Landlord, as additional rent, attorneys' fees incurred by Landlord.

On and after the second anniversary of completion of Tenant's Work, the mortgages referred to hereunder shall be permanent, direct reduction mortgage loans or other then customary forms of mortgage financing requiring periodic payments on account of principal and interest calculated to pay the particular loan in full over a term of at least 20 years, and providing for no waiver of amortization or interest without Landlord's consent. The foregoing sentence shall not be deemed to preclude a mortgage providing for a balloon payment.

Prior to the second anniversary of completion of Tenant Work, mortgages hereunder may secure so-called construction financing otherwise complying with the terms hereof.

If, pursuant to the provisions hereof, the Premises are damaged or destroyed, Landlord shall permit construction, interim and permanent mortgage financing of a replacement building notwithstanding the above provisions. In connection with the mortgage financing of such subsequent building, Landlord may impose conditions reasonably designed to provide protections of Landlord's interests similar to those provided under this Section in connection with financing of the initial Tenant Work.

Any mortgage(s) placed on the Premises prior to the tenth anniversary of the completion of Tenant Work shall not secure indebtedness in excess of 110% of Total Development Costs. "Total Development Costs" in the prior sentence means all amounts paid by Tenant for (A) contractors engaged in Tenant's Work and for

construction materials, services and building equipment, (B) the following mortgage financing costs: interest prior to the Rent Commencement Date, reasonable standby and commitment fees for construction and initial permanent mortgage financing, and other costs associated with obtaining such financing including reasonable legal fees, mortgage brokerage commissions, title certification expenses and title insurance premiums; (C) legal and accounting expenses of Tenant attributable to Tenant's Work or otherwise capital in nature; (D) architectural, engineering and other development consultants' fees (including fees paid to the general partners of Tenant and certain affiliates for various developmental services in an aggregate amount not to exceed 25% of Total Development Costs exclusive of such development and consultant's fees); (E) insurance for the period prior to the Rent Commencement Date; (F) cost of permits, licenses, tests, borings, etc., and (G) any other similar expenses of Tenant which are capital in nature and otherwise normally incident to redevelopment of a building. Tenant shall, from time to time, as requested by Landlord, furnish Landlord with Tenant's certification of Total Development Costs, to the extent ascertainable, and with reasonable estimates of elements thereof which are not ascertainable. Tenant shall, if Landlord so requests, provide Landlord with paid bills, cancelled checks and other suitable evidence of Total Development Costs. At or before the closing of the initial permanent mortgage loan on the Premises, Tenant shall furnish to Landlord a statement of Total Development Costs certified by an independent certified public accountant. Unless Landlord challenges such certification within one year after delivery thereof, the amount of Total Development Costs so certified shall be final. After the tenth anniversary of the completion of Tenant Work any mortgage(s) placed on the Premises shall not secure indebtedness for which reasonably projected annual debt service will not exceed 91 percent of the net rental income of the Premises after deduction of cash operating expenses (excluding ground rent and reserves), assuming 98 percent occupancy of the Premises at reasonable rental rates.

With respect to any construction loans (which term shall exclude loans by general partners of Tenant after commencement of operations required to pay third party operating expenses not otherwise paid from Partnership revenues or borrowings) (except any construction loans which may be entered into after the completion of Tenant Work), the loan agreement shall, unless Landlord otherwise agrees, limit the application of loan proceeds to Total Development Costs. As a condition of agreement with the entity providing any such financing prior to completion of Tenant Work, Landlord may require a demonstration to its satisfaction that sufficient funds are available to Tenant from the proceeds of such financing and from Tenant's own resources to make all payments required to complete Tenant Work.

References in this Section to "mortgage" shall be construed to include the promissory note secured thereby and other instruments executed to provide the mortgagee with additional security.

If, in connection with financing for Tenant's Work by a recognized first mortgage institutional lender, such lender shall request reasonable modifications to this Lease requiring (subject to appropriate protections of Landlord's interests) Landlord to send such lender notices of defaults sent to Tenant, to provide said lender the opportunity to cure defaults, to agree to enter into a new lease with such mortgagee upon any termination of the Term on account of Tenant's default, and to provide other reasonable protections of the interests of a leasehold mortgagee, Landlord shall not unreasonably withhold its consent thereto. The foregoing shall not, however, require Landlord to consent to any modification hereof which would decrease the financial obligations of Tenant or materially lessen any other obligations of Tenant under this Lease. The foregoing also shall not require Landlord to consent to any modification which would limit the present provisions hereof pertaining to the availability of insurance or condemnation proceeds or awards for restoration of the Premises.

8.15 Determination of Need. Landlord acknowledges that construction of the improvements requires a determination of need from the Department of Public Health of The Commonwealth of Massachusetts. Landlord has heretofore applied for such a determination, and the parties agree to cooperate with each other in diligently prosecuting such application. If a certificate of need has not been awarded by December 31, 1983, this Lease shall be void and without recourse to the parties. If the application for a determination of need is denied (after exhaustion of administrative remedies), this Lease shall be cancelled and without recourse to the parties as of the date of denial.

8.16 Holding Over. If Tenant shall remain in possession of the Premises or any part thereof after the termination of the Term without a written agreement executed by Landlord, Tenant shall be deemed a tenant at will or by the month (requiring 30 days notice of termination by either party to the other) and shall thereafter pay monthly rent at the rate of double the amount of Annual Fixed Rent due for the twelve-month period immediately preceding such termination and all additional rent also payable as provided in this Lease, and shall otherwise comply with all the provisions of this Lease as though it had originally been a monthly tenancy. This Section shall not apply to any occupancy with whom Landlord has entered any agreement pertaining to continued occupancy upon expiration of the Term of this Lease.

8.17 Construction on Remainder of Landlord's Property. Landlord shall have the right, in connection with any development or redevelopment of Landlord's Property, to grant easements

through the Premises and the land thereunder and through Tenant's parking spaces and other areas appurtenant to the Premises for the installation, maintenance, repair, replacement or relocation of utilities serving Landlord's Property so long as no such easement materially interferes with Tenant's Work or Tenant's use of the Premises or reduce the number of Tenant's Parking Spaces set forth in Section 1.1. This Lease shall be subject and subordinate to any easement so granted. (Such subordination shall be self-operative but in confirmation thereof Tenant shall execute and deliver whatever instruments may be required to acknowledge such subordination in recordable form and if Tenant fails to do so within ten days after demand Tenant does hereby irrevocably appoint Landlord as its attorney-in-fact in its name, place and stead to do so.)

Landlord and its agents, employees, licensees and contractors also shall have the right during any construction period for any such development to enter the Premises at reasonable times and upon reasonable advance notice to Tenant to undertake work pursuant to any utility easement granted pursuant to the above paragraph; to shore up the foundations and/or walls of the Premises; to erect scaffolding and protective barriers around the Premises or in other locations adjacent to the Premises; and to do any other act necessary for the safety of the Premises or the expeditious completion of such construction. Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business resulting from any act by Landlord pursuant to this Section provided Landlord complies with the terms hereof. All such work shall be done in a fashion which shall not unreasonably interfere with Tenant's use and enjoyment of the Premises, construction work by Tenant thereon or access by Tenant thereto, and Landlord shall use reasonable efforts to minimize the extent and duration of any inconvenience, annoyance or disturbance to Tenant resulting from any work pursuant to this Section.

Landlord shall not grant any easements or do any acts in connection with any development of Landlord's Property which materially interfere with Tenant's use of the Premises, except in an emergency, and shall indemnify Tenant against any cost, harm or expense arising from exercise of Landlord's rights hereunder (except Tenant's negligent or bad faith acts).

8.18 Landlord's Financing. Unless Landlord exercises the subordination election in this Section, this Lease shall be superior to any mortgage, ground or improvements lease or other voluntary lien hereafter encumbering all or a portion of Landlord's Property (collectively a "mortgage"). This Lease is subordinate to any mortgage that now encumbers such Property but any holder may elect to have this Lease a prior lien superior to its mortgage by notifying Landlord and Tenant. Until the holder

of the mortgage (either superior or subordinate to this Lease) forecloses Landlord's equity of redemption (or terminates in the case of a ground or improvements lease), no holder shall be liable for failure to perform any of Landlord's obligations (and such holder shall thereafter be liable only if it succeeds to and only while it holds Landlord's interest). No Fixed Rent, additional rent or other charges shall be paid more than 15 days prior to the due date (excepting prepayment of Fixed Rent deferred under Section 4.3); payments made in violation of this covenant shall except to the extent actually received by the holder of a mortgage be a nullity as against such holder and Tenant shall be liable for the amount of such payments to such holder when and as they are due. Tenant shall if requested by Landlord give any notice of any alleged breach on the part of Landlord to any holder of a mortgage designated by Landlord; and Tenant agrees that such holder shall have a separate consecutive reasonable cure period of no less than 30 days (to be reasonably extended in the same manner Tenant's 30 day cure period is extended) following any cure period afforded Landlord at law or by agreement in which the holder may but need not cure any Landlord's breach. The agreements in this Lease with respect to the rights and powers of the holder of a mortgage constitute a continuing offer to any person which may be accepted by receiving a mortgage of Landlord's Property.

Upon notice to Tenant Landlord shall have the option to subordinate this Lease to any mortgage of Landlord's Property if the holder agrees to recognize the rights of Tenant under this Lease and assume Landlord's obligations upon acquiring Landlord's interest. In such event Tenant shall attorn to the holder as Landlord. Any mortgage to which this Lease is or becomes subordinate may contain such terms and conditions as the parties thereto deem appropriate.

If from time to time Landlord assigns this Lease or the rents payable to any person, whether such assignment is conditional in nature or otherwise, such assignment shall not be deemed an assumption by the assignee of any obligations of Landlord; but the assignee shall be responsible only for breaches of Landlord's obligations which occur after it succeeds to and only while it holds Landlord's interest in Landlord's Property.

Provisions of this Section shall be self-operative; nevertheless Tenant agrees to execute, acknowledge and deliver any subordination agreements or other instruments from time to time requested by Landlord in furtherance of the foregoing.

8.19 Rentable Floor Areas. Rentable floor area determinations required hereby shall be certified by Tenant's architect using uniform, customary methods of calculation.

8.20 Landlord's Curing and Enforcement. If Tenant fails to cure any breach within the applicable cure period Landlord at its option may (without waiving any right or remedy for Tenant's default) at any time thereafter cure such breach for the account of Tenant. Tenant shall reimburse Landlord's cost of so curing on demand as additional rent. Notwithstanding any other provision concerning cure periods, Landlord may cure any breach for the account of Tenant after such notice to Tenant (if any) as is reasonable under the circumstances (including telephone notice) if curing prior to the expiration of the applicable cure period is reasonably necessary to prevent likely damage to the Premises or Landlord's Property or possible injury to persons or to protect Landlord's interest in Landlord's Property or the Premises.

8.21 Arbitration. Whenever this Lease provides for arbitration of a matter, disputes between the parties regarding such matter shall be submitted upon demand of either party to the Boston office of the American Arbitration Association ("AAA") with a request for arbitration by a single arbitrator in accordance with the commercial arbitration rules of the AAA and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Where the subject of arbitration involves the valuation of the Premises (or parts thereof or interests therein), however, the arbitration shall be by three arbitrators who shall be MAI appraisers with at least ten years experience as appraisers of commercial and medical real estate in the greater Boston area. Compensation for the arbitrator(s) in all situations shall be in accordance with the standards then recommended by the Boston office of the AAA, and Landlord and Tenant agree to pay for such arbitration in accordance with the award. If the award does not provide for the allocation of payment, the expenses of the arbitration (including compensation of the arbitrator(s)) shall be born by the party to whom the determination was adverse. Where this Lease does not specifically provide standards for the arbitrator(s) to resolve certain disputes the same shall be resolved on a reasonable commercial basis applicable to the development and management of urban commercial and medical real estate. If the AAA shall cease to provide arbitration for commercial disputes, such disputes shall be submitted to any successor organization providing substantially the same services as were provided by the AAA and in the absence of such successor organization to a court of competent jurisdiction under the Arbitration Act of The Commonwealth of Massachusetts requesting the appointment of (an) arbitrator(s) in accordance with the provisions of that Act.

8.22 Financing. Tenant shall use its best efforts after execution hereof to obtain a commitment for financing of Tenant's Work on reasonable commercial terms for this transaction (such financing shall be non-recourse to the partners of Tenant but may include completion guarantees and the like by affiliates of the

general partner which do not restrict the ability of Tenant's partners to include their properly allocable shares of such financing in their bases for their partnership interests). If Tenant is unable to obtain such a commitment, Tenant shall have the right to terminate this Lease by notice to Landlord not later than the 60th day after the day hereof, effective as of the 120th day after the date hereof, subject to the remaining provision of this Section. Upon receipt of a notice of termination from Tenant under the above provision, Landlord shall have the right until the effective date thereof specified above to seek financing for Tenant's Work secured by Tenant's interest under this lease (and other customary commercial security such as but not limited to an assignment of rent under occupancy leases in the Building). Tenant shall cooperate as Landlord reasonably shall request (such cooperation to include, without limitation, providing information and the like and payment of customary application fees reimbursable in the event no commitment is given and of non-material non-refundable processing fees) in Landlord's efforts in such regard. If Landlord shall, through such efforts, obtain a commitment for Tenant to finance Tenant's Work on reasonable commercial terms for this transaction (such financing shall be non-recourse to the partners of Tenant but may include completion guarantees and the like by affiliates of the general partner which do not restrict the ability of Tenant's partners to include their properly allocable shares of such financing in their bases for their partnership interests) prior to the 120th day after the date hereof, Tenant shall accept such commitment (and shall be obligated for any related reasonable mortgage broker's fee contingent on obtaining a commitment and/or closing financing thereunder) and this Lease shall not terminate.

8.23 Tax Law Change. Upon the date of execution hereof there are pending in Congress various proposed changes to the Federal income tax laws (H.R. 3110 and S. 1564) which would eliminate or reduce the investment tax credit and/or depreciation or cost recovery deductions which may otherwise be available to Tenant under current law on account of Tenant Work. If either such measure (or a successor thereto with reasonably equivalent content) is adopted by Congress and executed by the President on or before January 1, 1984 and would reduce the investment tax credit and/or depreciation or cost recovery deductions otherwise available to Tenant under current law, Tenant shall have the right to terminate this lease effective upon notice to Landlord delivered within 14 days of the President's execution of such measure. If any such measure is still pending before Congress on January 1, 1983 which would reduce the investment tax credit and/or depreciation or cost recovery deductions otherwise available to Tenant under current law, the Tenant likewise shall have the right to terminate this Lease by notice delivered to Landlord not later than 5:00 p.m. on January 2, 1984.

8.24 Landlord's Attorneys Fees. Tenant shall reimburse Landlord's reasonable legal fees and other costs associated with the issuance of the Request for Proposals ("RFP") for the transaction contemplated hereby and with the execution of this Lease or and any amendment thereto required on account of the provisions of Section 8.14 or which may be agreed to by the parties in lieu of any cancellation hereof under Section 8.22 or 8.23 or which the parties may deem it otherwise appropriate to make prior to commencement of Tenant Work. In accordance with the requirements of the RFP, Tenant has deposited with Landlord \$30,000 to be utilized in connection with such obligation. Upon execution hereof an amount equal to all such costs and fees to date shall be paid to Landlord from such deposit, and any balance shall be returned to Tenant. Any amounts thereafter payable under this clause shall be paid within a reasonable period after demand (accompanied by appropriate evidence that such costs and fees have been incurred) to Landlord or as Landlord shall direct. Tenant's covenants hereunder shall survive the termination of the Term.

8.25 Due Authorization. Each of Landlord and Tenant warrants and represents to the other that its execution of this Lease is duly authorized.

TENANT:

LANDLORD:

City of Cambridge

By: \_\_\_\_\_

By: \_\_\_\_\_  
City Manager

Approved as to form:

\_\_\_\_\_  
City Solicitor



**EXHIBIT B**

**Programmatic and Developmental Requirements For Tenant's Work**

**A. Program:**

<b><u>Miscellaneous Hospital</u></b>	<b>6,000 net rentable sq. ft.</b>
<b>Department of Health and Hospitals</b>	
<b>Public Health Nursing</b>	
<b>C.D.C.</b>	
<b>Auditorium</b>	
<b>Conference Rooms</b>	
<b><u>Department of Psychiatry</u></b>	<b>16,000 net rentable sq. ft.</b>
<b>Outpatient Services</b>	
<b>Ambulatory Care Services</b>	
<b>Geriatric Services</b>	
<b>Drug Program</b>	
<b>Emergency Room</b>	
<b>Continuing Education</b>	
<b>Training Service</b>	
<b>Administration</b>	
<b>Business Office</b>	

Consultation/Liaison Services

<u>Private Doctors' Offices</u>	10,000 net rentable sq. ft.
<u>TOTAL PROGRAM AREA</u>	<u>32,000 net rentable sq. ft.</u>

B. Additional Details:

This program is illustrated in the schematic section and plans attached. In addition to the programmatic material specified in this proposal, Tenant will be required prior to preparation of Plans and Specifications to do a detailed architectural program of the space needs of each occupant satisfactory to Landlord.

The following is a list of general requirements which should be incorporated into the renovation of the building:

1. The building should comply fully with all applicable building and life safety codes.
2. The building should be converted into first rate out-patient clinic and medical office space.
3. Main entrance should be made wheelchair accessible.
4. The exterior finishes of the Building should be repaired and upgraded.
5. Single-hung aluminum replacement windows with insulated glass should be installed.
6. Existing roofing system should be repaired as required.
7. All physicians' offices and exam rooms should be soundproofed.
8. Where necessary, the roof and selected floors should be structurally reinforced.
9. An infill floor should be constructed over the existing auditorium, reducing it to a one level space.
10. Top grade interior finishes should be used throughout the Building.
11. Private Doctors' office space located on the third and fourth floors should have the basic finishes as well as additional sink and toilet capacity. (Sink and toilet fixtures are not required.)
12. All new electrical and full life-support systems should be installed, including fire protection, security, and communication systems.

14. Building should be air conditioned, with a new state-of-the-art HVAC (heating, ventilation and air conditioning) system which would provide individual temperature control in each room.
15. All new plumbing and fixtures should be installed.
16. The basement should have a sprinkler system.
17. The existing elevator should be fully upgraded.
18. The existing stairs should be brought to code compliance.
19. Landlord's Property adjacent to the Building should be suitably landscaped.

**C. Schematic Section and Plans**

The following section and plans illustrate the proposed location of each occupant in the renovated building. The mechanical room in the basement will house the building's heat pumps, chillers, domestic water main, hot water converter and electrical circuitry.

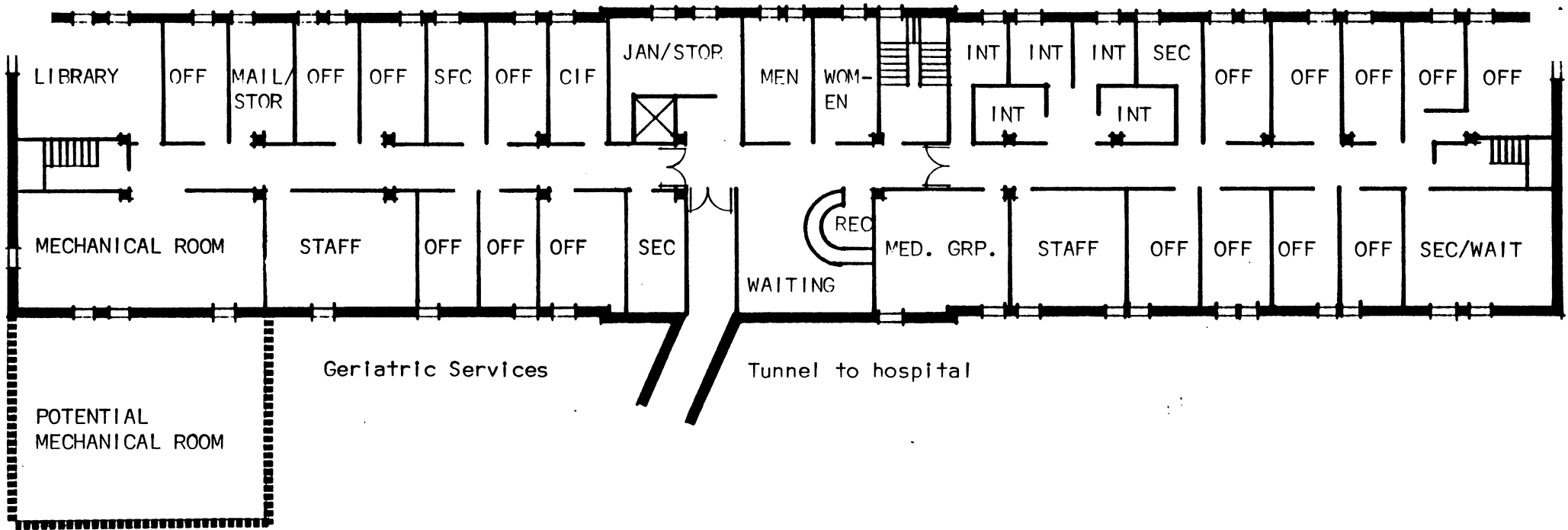
Business Office						FIFTH FL.	
Medical Offices				Medical Offices		FOURTH FL.	
Medical Offices			Administration		Training Service	THIRD FL.	
Outpatient Services		Health and Hospital	CDC	Training Service		SECOND FL.	
Outpatient Services			Child Dev.	Conf.	Auditorium (Conf.)	FIRST FL.	
Mech.	Geriatrics	Cont. Education	ER	Ambulatory Care Services		Cons/Liaison	BASEMENT

Continuing Education

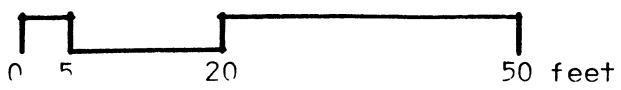
Emergency Room

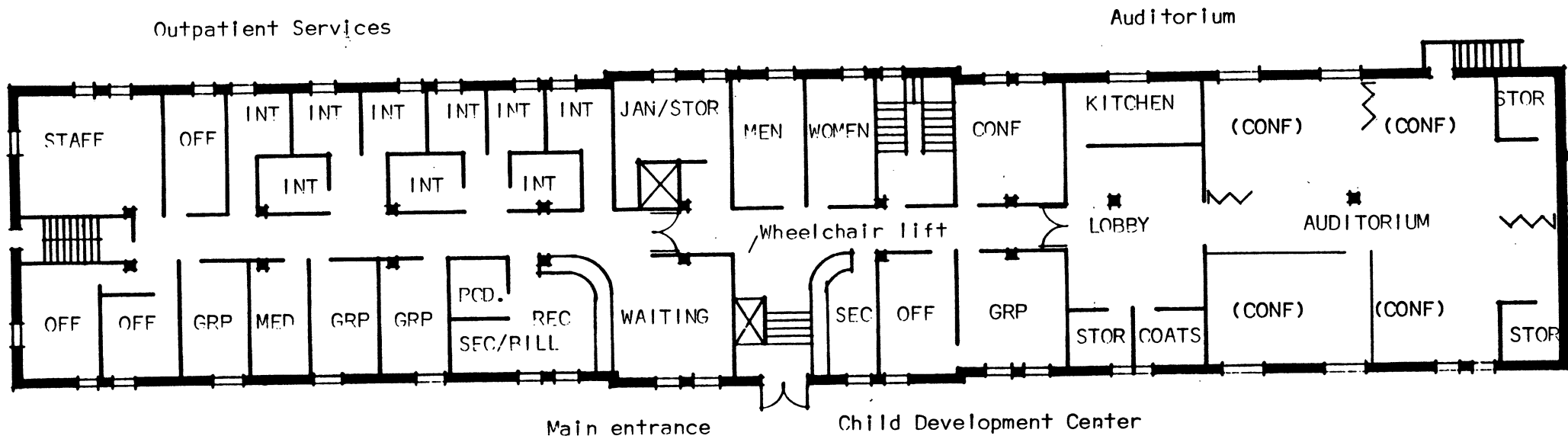
Ambulatory Care Services

Cons./Liaison

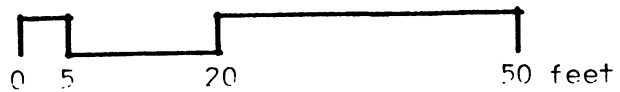


**BASEMENT**



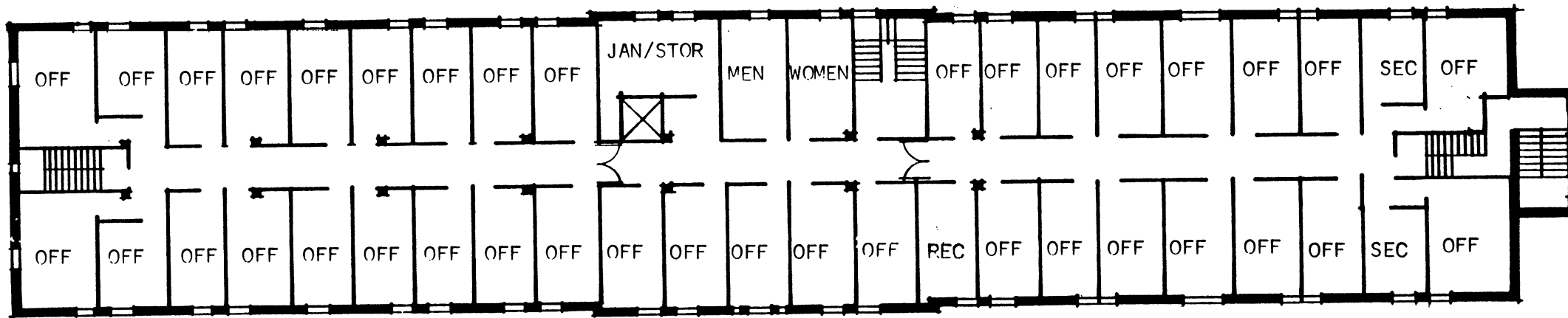


# FIRST FLOOR



Outpatient Services

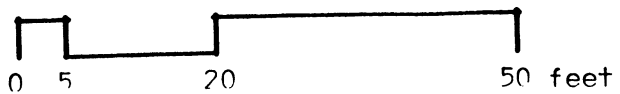
Training Service



Health and Hospitals

C. D. C.

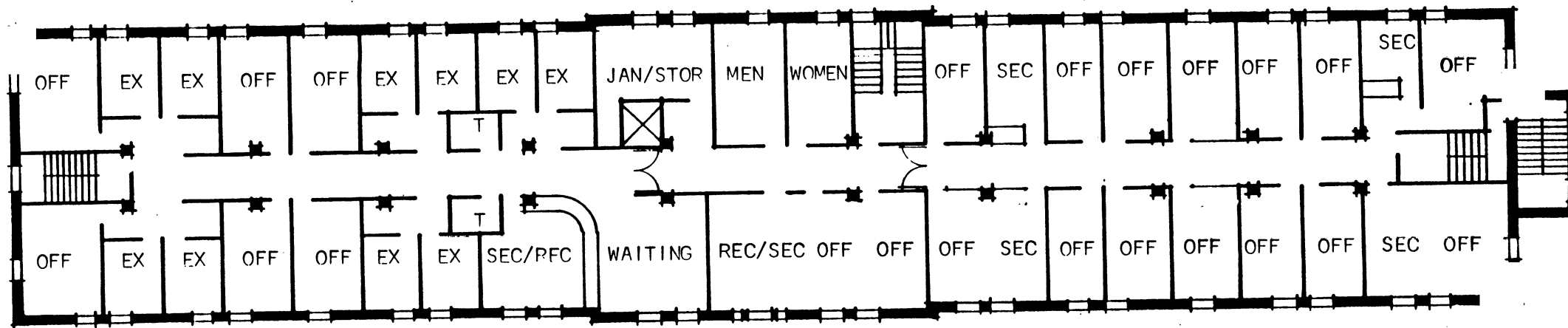
## SECOND FLOOR



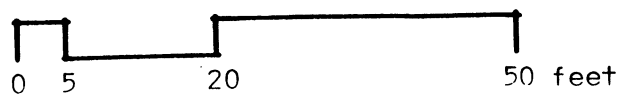
Medical Offices

Administration

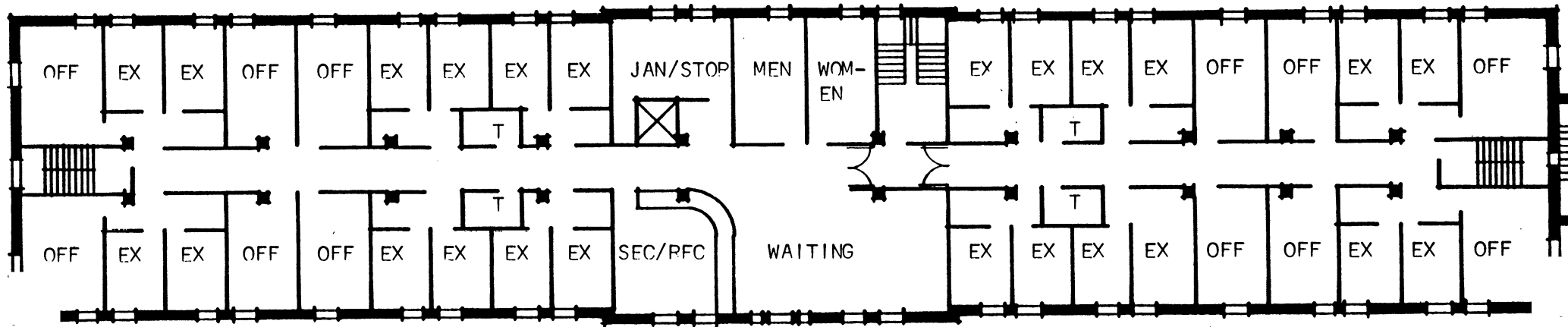
Training Service



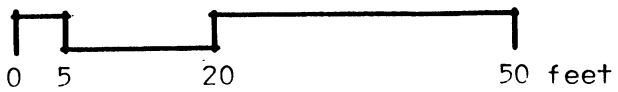
# THIRD FLOOR



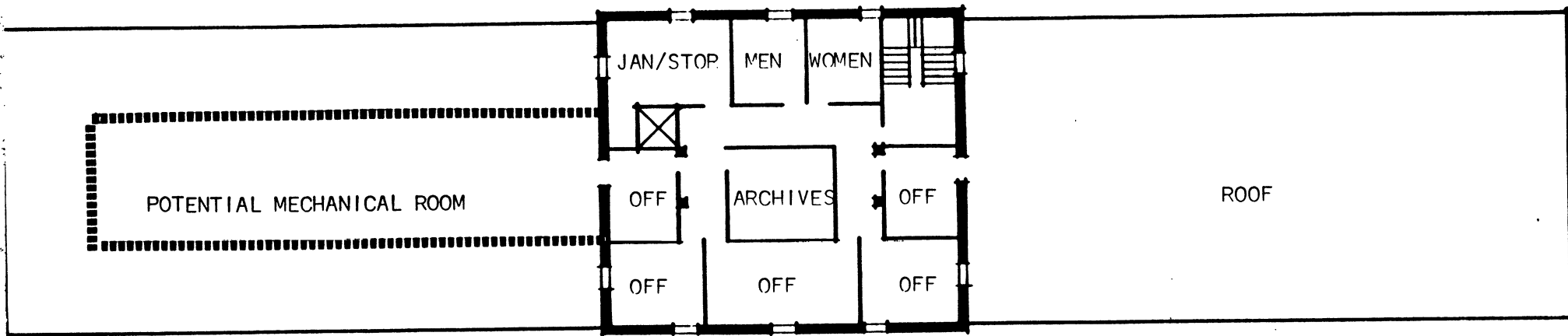
Medical Offices



FOURTH FLOOR



Business Office



POTENTIAL MECHANICAL ROOM

JAN/STOP.

MEN

WOMEN

OFF

ARCHIVES

OFF

ROOF

OFF

OFF

OFF

FIFTH FLOOR

5 20 50 feet

## EXHIBIT C

### Privacy and Sound.

1. All sashes and casings are to be repaired or replaced. Interior nonremovable storm windows or insulated glass windows are to be installed in all windows including the large windows of the lecture hall. To reduce glare of hallway lights at night, a glazing should be applied to hallway windows.
2. As proposed, a state of the art HVAC system shall be installed so that each room will have individual temperature control. This system will be selected with quiet operation as a factor and the chiller placed so as to minimize shadow on the neighborhood and so as to minimize noise.
3. Evergreen shrubbery shall be planted in groups so as to block the view of the neighbors' property from each basement window on the west side of the building. Due to the lack of sunlight and subsequent slow growth, these shrubs will be no less than 24" high when planted with an anticipated mature height of at least three feet.
4. Taller trees should be planted to screen the neighbors along the Line Street boundary to Camelia Avenue. It is proposed that the intervals and types of trees could be later decided according to the mutual preference of these neighbors and the tenant.

### Landscaping

5. The tenant shall be responsible for the upkeep of the grounds beside and behind the building for the term of the lease. The land needs to be graded to correct runoff problems, and the soil improved where necessary to sustain plant life, a shade tolerant

ground cover established, and the previously mentioned group of shrubs planted at the basement windows. A relatively small amount of maintenance may be required, but this area shall be landscaped to be self-maintaining.

#### Air and Sun Rights

6. Due to the heights and proximity of this building to neighboring houses, sunlight is at a premium. There should be no construction during the term of the lease to add to the shadow cast by the building. There is a structure on the roof (penthouse) which is higher than the rest; this should not be expanded or squared off, except as clearly required to enclose equipment such as air conditioning apparatus. The tenant will locate centrally, to the extent reasonably practicable, any additions to the roof required for heating, cooling, etc., so as to minimize any blockage of the sun received by any abutters. Notwithstanding any provision of this section 6 or section 2 to the contrary, if any construction activity would result in lessening the sunlight now available to any abutter, such matters shall be submitted to the committee established in paragraph 12 for approval in advance.

#### Construction Impact

7. During renovation, reasonable and diligent efforts shall be made to reduce noise, dust and discharge of paint chips or other waste materials affecting abutters (consistent with OSHA regulations and construction safety requirements). Included in the foregoing, the tenant shall make careful and continuing efforts to contain debris, dust, waste materials and the like within the confines of the building. Window repair or replacement

should also be done in a self-contained manner so far as practicable to guarantee that lead paint or other hazardous waste or debris do not contaminate surrounding soil.

8. Renovation should include replacement and repair of moldings and stanchions along the top of the entire building. These are presently in disrepair, and when pieces fall, present a danger.

9. Hours of construction shall be Monday through Friday from 8:00 A.M. to 5:00 P.M. should it become necessary on isolated or extraordinary occasions to have personnel work overtime (these hours include warm up time for equipment). Prior notice shall be given to the committee established in paragraph 12, together with reasons, of any construction activity outside of the specified hours.

10. Efforts should be made to internalize as much of the construction as possible. This shall include placing all dumpsters, construction equipment, supplies and other construction materials on the interior side of the project and not abutting the neighbors.

11. Construction traffic shall be restricted to main streets and to Cambridge Street as much as possible. In no event shall construction traffic be permitted on Leonard Avenue or Myrtle Avenue. As necessity demands or as workably practical only, shall traffic enter through the Line Street emergency access gate. All dust and debris is to be cleaned up reasonably promptly.

#### Committee

12. A committee shall be established to resolve any problems concerning the abutters for the term of the lease and shall meet

periodically at least through the construction period and from time to time thereafter. The committee shall be comprised of two representatives of the developer, and two representatives of the neighborhood, and one representative each of the City's Community Development Department and Cambridge Hospital. The committee shall act by majority vote and all actions which affect the abutters from time to time shall be presented to such committee. Through the term of the lease, the tenant will notify the neighborhood representatives of the committee of any proposed changes to the building or of use. If at any time there are no willing representatives on the committee from the neighborhood, tenant is excused from this obligation until such time as there are willing representatives. Tenant will also designate a representative throughout the term of the lease for any person of the neighborhood to contact with questions, suggestions, and the like.

September 23, 1983

LEASE dated

ARTICLE I

FUNDAMENTAL LEASE PROVISIONS

1.1 SUBJECTS REFERRED TO

Each reference in this Lease to any of the following subjects shall be construed to incorporate the following information.

LANDLORD: [Landlord will be a limited partnership whose general partner is a corporation which is a wholly owned subsidiary of O'Connell Enterprises, Inc.]

LANDLORD'S ORIGINAL ADDRESS: 480 Hampden Street, Holyoke,  
Massachusetts 01040

TENANT: City of Cambridge

TENANT'S ORIGINAL ADDRESS: c/o Community Development Department  
City Hall Annex  
Broadway and Inman Streets  
Cambridge, Massachusetts 02139

TERM COMMENCEMENT DATE: See Section 2.4

TERM EXPIRATION DATE: The date 25 years after the Term  
Commencement Date, subject to extension in  
accordance with the provisions of Section  
2.4.2.

ANNUAL FIXED RENT: \$396,000, subject to increase in accordance  
with the provisions of Section 2.5.2, 2.5.3,  
and 2.5.4.

BUILDING: The entire building now known as the Lee B. Macht  
Community Health Center located at 16 Camelia  
Street, Cambridge, Massachusetts and identified on  
Exhibit A.

TOTAL RENTABLE FLOOR AREA OF BUILDING: 32,000 square feet.

PREMISES: The entire basement, first and second floors,  
portions of the third floor cross hatched on Exhibit  
B, and the entire fifth floor of the Building.

RENTABLE FLOOR AREA OF PREMISES: 22,000 square feet

PERMITTED USES:

Hospital uses, auditorium, conference and teaching facilities associated with such uses, health-related governmental uses, offices of physicians affiliated with Cambridge Hospital, offices of dentists affiliated with Cambridge Hospital, offices of psychologists and other therapists affiliated with Cambridge Hospital, offices of optometrists, medical billing services with substantial relationships to Cambridge Hospital affiliated physicians and physicians groups, offices of attorneys and accountants serving Cambridge Hospital medical staff, vending operations (exclusive of cigarettes) in a location not exceeding 100 square feet and approved by Landlord in advance, and other uses reasonably compatible with the foregoing and approved by Landlord in advance (such approval shall not be withheld unreasonably provided the approval of the landlord under the Master Lease is obtained therefor). Individuals shall be deemed affiliated with Cambridge Hospital for purposes of this clause if such individuals have staff privileges at Cambridge Hospital and groups shall be deemed so affiliated if at least one member thereof has such staff privileges.

BASE OPERATING EXPENSES PER SQUARE FOOT: \$5.00

LANDLORD'S MANAGING AGENT: Appleton Corporation

ADDRESS OF LANDLORD'S MANAGING  
AGENT:

Chestnut Street  
Holyoke, Massachusetts

TENANT'S AUTHORIZED REPRESENTATIVE: The City Manager from time  
to time.

LANDLORD'S AUTHORIZED REPRESENTATIVE: Larry Tully

MASTER LEASE: Lease of the Building dated of even date from City  
of Cambridge to Tenant.

## ARTICLE II

### PREMISES, TERM, RENT, OPERATING EXPENSES, TAXES AND ELECTRICITY

#### 2.1 PREMISES AND EXCLUSIONS

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises. The Premises exclude common areas and facilities of the Building including without limitation exterior faces of exterior walls, the common stairways and stairwells, Building entranceways and the ground floor Building lobby, elevators and elevator wells, fan rooms, electric and telephone closets, janitor closets, freight elevator vestibules, and pipes, ducts, conduits, wires and appurtenant fixtures serving other parts of the Building (exclusively or in common). If the Premises include less than the entire rentable area of any floor, then the Premises also exclude the common corridors, elevator lobby and toilets located on such floor.

This Lease is subject to all rights of record.

#### 2.2 APPURTENANT RIGHTS

Tenant shall have, as appurtenant to the Premises, rights to use in common (subject to reasonable rules of general applicability to tenants and other users of the Building from time to time made by Landlord of which Tenant is given notice): (a) the common lobbies, corridors, stairways, elevators and loading platform of the Building, and the pipes, ducts, conduits, wires and appurtenant meters and equipment serving the Premises in common with others; (b) walkways and sidewalks necessary for access to the Building; (c) if the Premises include less than the entire rentable floor area of any floor, the common toilets, corridors and elevator lobby on such floor and serving the Premises; and (d) all other areas or facilities in or about the Building from time to time, intended for general use by Tenant and other Building tenants. Tenant shall not receive, appurtenant to this Lease, any parking rights.

#### 2.3 RESERVATIONS

Landlord reserves the right from time to time, upon prior notice and without unreasonable interference (except in emergency) with Tenant's use, to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building, or either, pipes, ducts, conduits, wires and appurtenant fixtures, wherever located in the Premises or Building and to enter the Premises to complete construction of Tenant work required under the Master Lease if such construction is not completed on the Term Comencement Date.

## 2.4 TERM

### 2.4.1 Initial Term

The initial Term shall begin at 12:01 a.m. on the earlier to occur of the following (a) or (b), and shall end at 12:00 midnight on the Term Expiration Date set forth in Section 1.1.

(a) The date Tenant enters into possession of the Premises for the conduct of its business. (The event described in the prior sentence shall not be deemed to occur by virtue of the installation, testing and initial operation of medical or other equipment or the installation or placement of other property of Tenant in the Premises provided the Premises are not generally in use.)

(b) The later to occur of (i) substantial completion of all work under Section 3.1 or (ii) the thirtieth day after a notice to Tenant for Landlord setting forth the date on which Landlord expects that all such work will have been substantially completed. Substantial completion means that construction is completed subject only to punch list type items which will not interfere materially with occupancy by Tenant and that a certificate of occupancy and other permits under environmental or other government laws and regulations have been obtained (excepting permits required because of Tenant's particular use of the Premises which Tenant is required to obtain under Section 5.5) as necessary to permit Tenant's occupancy of the Premises.

Landlord and Tenant shall, at the request of either after the beginning of the Term, execute an acknowledgement, in recordable form, specifying the Term Commencement Date and the Term Expiration Date.

The term "Lease Year" when used herein shall mean the period beginning with the Term Commencement Date and ending 12 months thereafter (or, if the Term Commencement Date is not the first day of a month, ending at the end of the twelfth month to begin after the Term Commencement Date), and each succeeding 12 month period (or, in the case of the last Lease Year, the shorter period beginning with the anniversary of the Term Commencement Date and ending with the Term Expiration Date).

This Lease shall be cancelled in the event the Master Lease is terminated under Sections 8.15, 8.22 or 8.23 thereof.

2.4.2 Extension Term. Tenant shall have the option to extend the Term for one extension term terminating on the Term Expiration Date of the Master Lease as set forth therein. Tenant's election shall be exercised, and Annual Fixed Rent during such extension

term determined, in accordance with the provisions of Section 2.5.3. Landlord may prohibit any extension of the Term, and the Term shall expire without regard to any extension election if, at the time Tenant's notice of election is delivered or at the time the extension term is to begin, an event has occurred under Section 7.1 and is continuing beyond any applicable grace period therein contained. During the extension terms, if any, all the pertinent provisions of this Lease shall apply.

## 2.5 ANNUAL FIXED RENT

2.5.1 General Covenant. Tenant covenants and agrees to pay Landlord Annual Fixed Rent at the rates specified herein. Annual Fixed Rent shall be payable except to the extent Tenant has not received rent due and owing to it as landlord under the Master Lease without set-off or counterclaim on the first day of each calendar month during the Term in equal installments, except that no Annual Fixed Rent shall be payable for any portion of the Term which occurs prior to the Rent Commencement Date under the Master Lease. Tenant shall make payment for any portion of a month at the beginning or end of the Term. All payments shall be payable to Landlord's Managing Agent at its Address, both as specified in Section 1.1, or to such other entities at such other places as Landlord may from time to time designate. Landlord shall furnish Tenant at least 60 days prior written notice of the amount and due date of each rent payment hereunder.

2.5.2 Annual Fixed Rent Calculation. For the first Lease Year, Annual Fixed Rent shall be payable at the rate set forth in Section 1.1. For each subsequent Lease Year, the rate of Annual Fixed Rent shall be \$110,000 (the "operating base amount") plus the greater of the following (a) or (b):

(a) 105% of the difference between the Annual Fixed Rent for the Premises during the prior Lease Year and the operating base amount. (Such difference is referred to as the "Prior Lease Year Base Rent.")

(b) The product of (i) the Prior Lease Year Base Rent and (ii) the following fraction:  $\left[ \frac{\text{CPI for the reporting period which includes the first day of such Lease Year} - \text{CPI for the reporting period which includes the first day of the prior Lease Year}}{\text{CPI for the reporting period which includes the first day of the prior Lease Year}} - 1 \right] \times 0.5 + 1$ .

The term "CPI" means the United States Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, All Items (1967 = 100) for the Boston, Massachusetts SMSA. If such CPI shall be discontinued or modified, then the foregoing calculation shall be made using a comparable measure of increases in the cost of living in Boston, Massachusetts which includes or reconstructed based upon those items and in their relative proportions as are

measured in the CPI on the date of this Lease. Prior to announcement of the CPI for the reporting period which includes the first day of any Lease Year after the first Lease Year, Annual Fixed Rent for such Lease Year shall be paid at a rate determined by application of item (a) above, and Tenant shall pay any amount due on account of any increases in such rate due to application of the CPI formula in item (b) promptly upon such announcement.

2.5.3 Financing Cost Adjustment. If Landlord's initial permanent leasehold mortgage financing for the Premises requires, during the initial term thereof, that Landlord pay an increased rate of interest on the outstanding principal balance, Annual Fixed Rent due from Tenant while such increased rate is in effect for such financing shall be increased by the product of (i) the rentable floor area of the Premises and (ii) the annual amount per rentable square foot of the Building by which Landlord's payments to such lender are increased on account of such increased interest rate. In the event of adjustments which diminish the interest rate on such initial permanent leasehold mortgage financing Annual Fixed Rent shall likewise be adjusted to take account of such decrease. Landlord shall notify Tenant reasonably (in light of notice to Landlord) in advance of any increase or decrease in Annual Fixed Rent hereunder and shall certify to Tenant the calculation thereof accompanied by such other material or information as Tenant may request in connection therewith in order to verify same.

2.5.4 Extension Term. Annual Fixed Rent during the first five lease years of the extension term if any under Section 2.4.2 shall be the higher of (i) the Annual Fixed Rent in effect immediately prior to the date the extension term commences (the "Extension Date"), or (ii) the "Fair Market Rent", which shall be the product of the number of square feet comprising the Rentable Floor Area of the Premises and the annual fair market rent per square foot for medical office premises in comparable condition in Cambridge, Massachusetts for a five year term commencing on the Extension Date under the terms of this Lease (such terms include without limitation provisions for payments of additional rent on account of operating expense or tax increases under Sections 2.6 and 2.7).

Fair Market Rent shall be determined, and notice of extension given, as follows:

(a) If Tenant wishes to consider exercising its extension option under Section 2.4.2, Tenant shall so notify Landlord no less than eighteen months prior to the date the Term is scheduled to expire.

(b) Landlord in response shall furnish Tenant Landlord's estimate of Fair Market Rent on or before the date sixty days after Landlord's receipt of such notice.

(c) On or before the sixtieth day after Landlord's response, the Tenant shall give notice to Landlord either accepting Landlord's estimate of Fair Market Rent and exercising Tenant's option under Section 2.4.2 or disputing such estimate. In case of dispute, the matter of Fair Market Rent promptly shall be submitted to the Boston office of the American Arbitration Association ("AAA") with a request for prompt arbitration (to be completed within six months) by three arbitrators who shall be MAI appraisers with at least ten years experience as appraisers of urban commercial real estate in the Greater Boston area. Fair Market Rent shall be in accordance with the arbitrators' decision. The cost of the arbitration (exclusive of each party's witness and attorney fees) shall be borne equally by the parties except in the event that after the arbitrators' award Tenant shall not extend the Term, in which case such cost shall be borne entirely by Tenant. If the AAA shall cease to provide arbitration for commercial disputes, the dispute over Fair Market Rent shall be submitted to any successor organization providing substantially the same services, and in the absence of such an organization, to a court of competent jurisdiction under the arbitration act of the Commonwealth of Massachusetts requesting the appointment of arbitrators in accordance with the provisions of that act.

Tenant shall notify Landlord within 60 days after determination of Fair Market Rent by the arbitrators' decision if Tenant elects to exercise its option under Section 2.4.2. Upon any election by Tenant to exercise such option (whether Fair Market Rent is determined by acceptance by Tenant of Landlord's estimate or by arbitration) the parties shall execute agreements specifying the Annual Fixed Rent for the first five lease years of the extension term and acknowledging the extension of the Term.

For each subsequent period of five lease years (or any lesser period at the end of the Term) included in the extension term after the fifth lease year, the rate of Annual Fixed Rent shall be the higher of (i) the Annual Fixed Rent in effect immediately prior to the date the particular period of five lease years commences, or (ii) the "fair market rent," which shall have the same meaning as is set forth in the first paragraph of this Section taking into account that it is to be calculated for a term commencing with the beginning of the five lease year period in question. Fair Market Rent shall be determined as follows:

(x) Landlord shall furnish Landlord's estimate of Fair Market Rent to Tenant no less than one year prior to the beginning of the period.

(y) Tenant shall notify Landlord no less than 10 months prior to the beginning of the period whether Tenant accepts such estimate or disputes same. In case of dispute, the matter shall be submitted to arbitration in accordance with the provisions set forth above in this Section.

Upon determination of the Annual Fixed Rent for each such five year period (whether fair market rent is determined by agreement or arbitration), the parties shall execute an agreement specifying the same.

## 2.6 ADDITIONAL RENT - OPERATING EXPENSES

2.6.1 Additional Rent - General Covenant. Tenant covenants and agrees to pay to Landlord, as additional rent, an amount equal to the product of (a) the Rentable Floor Area of the Premises and (b) the excess (if any) of Landlord's Operating Expenses per square foot allocable to Tenant over Base Operating Expenses Per Square Foot. Landlord's Operating Expenses per square foot allocable to Tenant for any period shall be the total amount of Landlord's Operating Expenses for such period divided by the total Rentable Floor Area of the entire Building. If Landlord is not obligated to furnish full electricity, cleaning and janitorial services or any other item (the costs of which are included in Landlord's Operating Expenses) to all rentable areas of the Building or if Landlord furnishes amounts of any such item or other items to the Premises in return for direct reimbursement of the cost thereof (any such item not furnished to all such rentable areas or furnished to Tenant on a direct reimbursement basis is referred to as a "restricted item"), Landlord's Operating Expenses per square foot allocable to Tenant for any period shall be the sum of the following amounts (x) and (y):

(x) For each restricted item included in Landlord's Operating Expenses and furnished to the Premises, the cost of such item for the period divided by the total Rentable Floor Area of all premises in the Building to which the item is then furnished.

(y) For all other items included in Landlord's Operating Expenses, the amount per square foot thereof allocable to Tenant in accordance with the second sentence of this Section 2.6.1.

Landlord agrees that if Landlord furnishes electrical service to any other premises in the Building in excess of that attributable to normal medical office uses (for special machinery, with high electrical consumption or the like) that Landlord shall cause either such excess or the entirety of such service to be furnished on a reimbursement basis as a restricted item (or shall provide for separate billing of such service by the utility providing same to such tenant) such that Tenant shall not be charged for any amount attributable to such excess service under this Section 2.6.

Appropriate adjustments (including adjustments in Base Operating Expenses Per Square Foot, which are quoted on an annual

basis in Section 1.1) shall be made for the first Lease Year if the same exceeds 12 months, for any portion of a Lease Year at the end of the Term or for any year during which changes occur in the Rentable Floor Area to which Landlord furnishes restricted items.

2.6.2 Payment. Additional rent for Operating Expenses under this Section 2.6 shall be paid for any portion of a month at the beginning of the Term and thereafter in monthly installments on the first day of each calendar month in amounts reasonably estimated by Landlord for the then current Lease Year. Landlord may from time to time revise such estimates based on available information relating to Landlord's Operating Expenses. Within 90 days after the end of each Lease Year, Landlord will provide Tenant with an accounting, certified by an independent certified public accountant, reasonably acceptable to Landlord, of Landlord's Operating Expenses and other data necessary to calculate additional rent hereunder prepared by Landlord in accordance herewith and otherwise in accordance with generally accepted accounting principles. Landlord shall also furnish such back-up information and materials as Tenant from time to time shall request. Upon issuance thereof, there shall be adjustments between Landlord and Tenant for the Lease Year covered by such accounting to the end that Landlord shall have received the exact amount of additional rent due hereunder. Any overpayments by Tenant hereunder shall be promptly refunded to Tenant. Any underpayments by Tenant shall be immediately due and payable.

If Landlord's Operating Expenses per square foot allocable to Tenant in any Lease Year are less than the amount of Base Operating Expenses per Square Foot set forth in Section 1.1, the difference, plus interest from the end of such Lease Year at an annual rate of 12% shall be credited against Tenant's next additional rent obligations under this Article. Landlord shall notify Tenant with the accounting rendered on account of each Lease Year of the amount of any such credit for such year, the amount of any charges against Tenant's credit account during such year, and the balance of such credit account as of the end of such year (including accrued interest). Any balance in such credit account (including accrued interest) upon the termination of the Term shall be promptly refunded to Tenant by Landlord.

2.6.3 "Landlord's Operating Expenses" - Definition. "Landlord's Operating Expenses" means all reasonable costs of Landlord in leasing, operating, managing, and maintaining the Building including, without limitation, the reasonable costs of the following: (i) supplies, materials and equipment purchased or rented and wage and salary costs paid to and on account of all persons engaged in the operating, maintenance, security, cleaning and repair of the Building; (ii) building services furnished to tenants of the Building at Landlord's cost and maintenance of and services provided to or on behalf of the Building performed by

Landlord's employees or by other persons under contract with Landlord or Landlord's Managing Agent; (iii) utilities consumed and expenses incurred in the operation and maintenance of the Building including, without limitation, oil, gas, steam, electricity, water, sewer and snow removal; (iv) insurance; (v) reasonable management fees equal to no more than 4% of annual gross Building revenue; and (vi) reasonable accounting expenses. Landlord's Operating Expenses shall not include any costs or expenses incurred by Landlord in the reconstruction and redevelopment of the Building; any other costs of a capital nature except as Tenant otherwise shall agree: payments of principal, interest or other charges on mortgages, or rent payments under Landlord's lease of the Building; salaries of executives or principals of Landlord (except as the same may be reflected in the management fee for the Building or attributable to actual Building operations); and legal, brokerage or construction related expenses associated with leasing or releasing of premises in the Building or lease defaults of any Building tenant.

#### 2.7. ADDITIONAL RENT - TAXES

The parties expect upon the date hereof that Taxes, as hereafter defined, will not be imposed against the Building to the extent of Tenant's occupancy therein. If Taxes are, however, hereafter assessed with respect to Tenant's use of the Premises, the amount so assessed shall be reimbursed by Tenant to Landlord as additional rent. Payment thereof shall be made in monthly installments on the first day of each calendar month in amounts reasonably estimated by Landlord for the then current Lease Year. Landlord may from time to time revise such estimates based on available information relating to Taxes. The accounting of Landlord's Operating Expenses provided Tenant on account of any Lease Year during which Tenant shall pay additional rent under this Section shall include all information regarding additional net payments or account of Taxes and upon issuance thereof there shall be adjustments between Landlord and Tenant with respect to additional rent paid on account of Taxes for such Lease Year to the end that Landlord shall have received the exact amount of additional rent due under this Section. Any overpayments by Tenant hereunder shall be promptly refunded to Tenant and any underpayments by Tenant shall be immediately due and payable.

The term "Taxes" shall mean all real estate taxes, sewer and water use charges, assessments and other similar governmental charges, and all personal property taxes levied on the Premises, or personal property on the Premises, or on fixtures on the Premises or any part thereof, reduced by net amounts received as an abatement or reduction of taxes. The amount of special taxes or special assessments included in Taxes for any year shall be limited to the amount of the installment (plus any interest, other than penalty interest, payable thereon) of such special tax or

special assessment required to be paid during or with respect to the Lease Year in question. Taxes exclude inheritance and transfer taxes. If the present system of ad valorem taxation of property is changed so that in lieu of the whole or any part of Taxes described in this Section there is imposed on the Building any governmental tax, charge or fee (distinct from any federal or state income tax of general application now in effect) measured by or based in whole or in part upon property, capital, rents or other incidents or benefits of real property or real property operations then such shall be included as Taxes, but only to the extent that the same would be payable if the building were the only property of Landlord.

### ARTICLE III

#### CONSTRUCTION OF BUILDING

##### 3.1 RECONSTRUCTION OF BUILDING

Landlord shall, at Landlord's expense, reconstruct the Building in accordance with the provisions of the Master Lease.

For one year after the Term Commencement Date Landlord shall, after notice from time to time from Tenant, take all action reasonable and necessary to remedy, repair or replace any incomplete, defective or malfunctioning aspects of the Building which affect Tenant's occupancy of the Premises except matters attributable to Tenant's negligence or violation of the terms of this Lease, such action to occur as soon as reasonably possible so as to avoid any interruption of or interference with Tenant's use of the Premises.

##### 3.2 TENANT'S EARLY ACCESS

If and as long as Tenant does not interfere in any way with the construction process (by causing disharmony, scheduling or coordination difficulties, etc.), Tenant may, with prior permission of Landlord, enter the Premises prior to the beginning of the Term for the purpose of installing Tenant's furnishings and fixtures and equipment.

##### 3.3 COMPLIANCE WITH LEASE

Prior to the Term Commencement Date, Tenant shall perform, and shall cause its employees, agents, contractors, subcontractors, material suppliers and laborers to perform, all Tenant's obligations under this Lease except the obligations to pay Fixed Rent and additional rent and other charges and other obligations the performance of which would be clearly incompatible with the installation of furnishings, fixtures and equipment pursuant hereto.

## ARTICLE IV

### LANDLORD'S COVENANTS

#### 4.1 LANDLORD'S COVENANTS

4.1.1 Building Services. Landlord shall furnish services, utilities, facilities and supplies set forth in this Section 4.1.1. Tenant may obtain reasonable additional services, utilities, facilities and supplies from time to time upon request and the cost of the same at reasonable rates from time to time established by Landlord shall constitute a restricted item allocable to the Premises under Section 2.6.1.

4.1.1.1 Water Charges. Landlord shall furnish hot and cold water for ordinary office cleaning, toilet, lavatory and drinking purposes. If Tenant requires, uses or consumes water for any other purpose, Landlord may either assess on Tenant reasonable charges for additional water, or install a water meter to measure Tenant's consumption. If Tenant's water consumption is measured by a separate meter, Tenant shall pay for all water so consumed together with the sewer charges based on said meter charges as and when bills are rendered.

4.1.1.2 Elevator, Heat, Cleaning and Electricity. Landlord, at its expense, shall: (i) provide necessary elevator facilities on Mondays through Fridays from 7:30 a.m. to 9:00 p.m. and Saturdays from 7:30 a.m. to 6:00 p.m. (such hours on such days being referred to as "business days") and have at least one elevator in operation available for Tenant's non-exclusive use at all other times; (ii) furnish heat to the Premises on business days as necessary to maintain the temperature therein at 65o F. or more; (iii) furnish electric service to the Premises sufficient for normal medical office uses but excluding special uses such as machines with high electrical consumption (if Tenant has such special uses Landlord shall have the right to charge Tenant the extra cost allocable to such use in Landlord's reasonable judgment or to install a meter to measure electric use in the Premises and to either charge such use to Tenant as so measured or to cause Tenant to contract directly with the providing utility for such service; any charge to Tenant by Landlord authorized hereby shall constitute a restricted item allocable to the Premises under Section 2.6.1) and (iv) cause the office areas of the Premises to be kept clean. Cleaning standards generally applicable in first class hospital and medical office buildings in Cambridge shall represent substantially the extent and scope of Landlord's cleaning obligation referred to in this Section.

4.1.1.3 Air-conditioning. Landlord shall, through the Building air-conditioning system, furnish to and distribute in the Premises air-conditioning on business days as necessary to maintain the temperature therein at 78o F. or less.

4.1.2 Repairs. Except for repairs to items referred to below necessitated by Tenant's act or neglect or the act or neglect of any of Tenant's agents, employees, guests, invitees or patients (which shall be Tenant's repair obligation under Section 5.2), Landlord shall make such repairs to the roof, exterior walls, floor slabs, structural elements and common areas and facilities (including all Building systems) as may be necessary to keep them in such good condition as the Premises are required to be placed in under Section 3.1.

4.1.3 Office Identification. Landlord shall provide and install, if requested, letters or numerals on doors and other locations in the Premises to identify the location of persons and/or departments.

4.1.4 Quiet Enjoyment. Upon performing all covenants of this Lease, Tenant may peaceably and quietly enjoy the Premises during the Term subject always to the terms of this Lease, provisions of law and rights of record to which this Lease is or may become subordinate (including any easements to which the Master Lease may be subordinated under Section 8.17 thereof).

4.1.5 Management Agent. Landlord agrees to give prompt and good faith consideration to any report by Tenant of inadequate performance of management duties by Landlord's Managing Agent from time to time and to exercise all necessary steps to enforce the terms of any agreement between Landlord and Landlord's Managing Agent from time to time.

#### 4.2 INTERRUPTION

Landlord reserves the right to stop any service or utility system, when necessary by reason of accident or emergency or inability to obtain services or utilities to be provided by the Landlord under the Master Lease, until necessary repairs have been completed; provided, however, that in each instance of stoppage, Landlord shall exercise reasonable diligence to eliminate the cause thereof. Except in case of emergency repairs Landlord will give Tenant reasonable advance notice of any contemplated stoppage, and Landlord will always use reasonable efforts to avoid unnecessary inconvenience to Tenant by reason thereof. Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from the necessity of Landlord or its agents entering the Premises for any purposes authorized in this Lease and in accordance with the provisions hereof.

## ARTICLE V

### TENANT'S COVENANTS

#### 5.1 RENT, UTILITIES

Tenant covenants and agrees to pay when due all Fixed Rent and additional rent and all charges for utilities and services rendered to the Premises and for all other matters for which Tenant is responsible hereunder.

#### 5.2 MAINTENANCE AND REPAIR

Except for damage by fire or casualty and reasonable wear, Tenant shall at all times keep the Premises in as good repair and condition as the same are at the beginning of the Term or may be put in thereafter.

#### 5.3 USE, WASTE, NUISANCE, ETC.

Throughout the Term, Tenant shall use the Premises for the Permitted Uses only unless Tenant discontinues hospital uses on the property defined as "Landlord's Property" under the Master Lease, in which case Tenant shall have the right to use the Premises for other uses permitted under the then current zoning laws in Cambridge or under variances or special permits granted pursuant thereto (Landlord shall cooperate as Tenant shall reasonably request in applications for such matters, provided the cost thereof shall be borne entirely by Tenant) and approved by Landlord (such approval shall not be withheld unless Landlord reasonably deems such uses incompatible with the uses then made of the remainder of the Building). Tenant shall not injure, overload, deface or commit waste in the Premises or any part of the Building, nor permit the occurrence of any nuisance therein or the emission therefrom of any objectionable noise or odor, nor use the Premises for any purpose other than the Permitted Uses, nor use or permit any use of the Premises which is improper, offensive, contrary to law or ordinance or which is liable to invalidate or increase the premium for any insurance on the Building or its contents or which is liable to render necessary any alterations or additions in the Building, nor obstruct in any manner any portion of the Building. Tenant shall not knowingly violate restrictions placed on Landlord by the Master Lease and applicable to Tenant's use of the Premises.

#### 5.4 RULES AND REGULATIONS

Tenant shall conform to all reasonable rules and regulations now or hereafter promulgated by Landlord for the care and use of the Premises and the Building of which Tenant has prior notice.

## 5.5 SAFETY APPLIANCES AND PERMITS

Tenant shall keep the Premises equipped with all safety appliances and permits required on account of Tenant's particular use thereof by law or ordinance or any order or regulation of any public authority, shall keep the Premises equipped at all times with adequate fire extinguishers and other such equipment reasonably required by Landlord, and, upon notice by Landlord, shall make all repairs, alterations, replacements, or additions so required.

## 5.6 INDEMNIFICATION

Tenant shall indemnify, save harmless and defend Landlord, Landlord's mortgagees, and persons acting under Landlord or such mortgagees from all liability, claim or cost (including reasonable fees of legal counsel of Landlord's choice) arising out of any injury, loss or damage to any person or property while on the Premises or in transit to or from the Premises if not due to negligence, wilful act or violation of this lease by Landlord or persons acting under Landlord, or arising out of any condition within the Premises which Tenant has created, or arising out of any breach by Tenant or persons acting under Tenant of any covenant of this Lease, in each case paying the same to Landlord on demand as additional rent. The covenants of this Section shall survive the termination of the Term.

## 5.7 TENANT'S PROPERTY

All furnishings, fixtures, equipment, effects and property of every kind, nature and description of Tenant and of all persons claiming through Tenant which from time to time may be on the Premises or elsewhere in the Building or in transit thereto or therefrom shall be at the sole risk of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes, steam pipes, or other pipes, by theft or from any other cause, no part of said loss or damage is to be charged to or be borne by the Indemnitees, except that the Indemnitees shall in no event be indemnified or held harmless or exonerated from any liability to Tenant or to any other person, for any injury, loss, damage or liability to the extent such indemnity, hold harmless or exoneration is prohibited by law or to the extent the loss or liability is due to the negligence of the Indemnitees, their agents or employees.

## 5.8 ENTRY FOR REPAIRS AND INSPECTIONS

After reasonable notice (except in emergency), Tenant shall permit Landlord and its agents to enter and examine the Premises at reasonable times to show the Premises to prospective mortgagees

and to make any repairs or replacements Landlord may deem necessary.

5.9 EXPENSES AND ATTORNEYS' FEES

Tenant shall pay as additional rent Landlord's expenses, including reasonable attorneys' fees, incurred in enforcing any obligations of Tenant under this Lease with which Tenant has failed to comply.

5.10 ASSIGNMENT, SUBLETTING

Tenant shall not assign this Lease, or sublet or license the Premises or any portion thereof, or permit the occupancy of all or any portion of the Premises without obtaining, on each occasion, the prior consent of Landlord, which shall not be withheld unreasonably. Reasonable grounds for withholding consent shall include failure of the proposed occupant to comply with the provisions of Section 5.3.

Notwithstanding any such assignment, sublease, license, or occupancy arrangement the original Tenant named herein shall remain directly and primarily obligated under this Lease.

If this Lease is assigned, or if the Premises or any part thereof are sublet, licensed or occupied by anybody other than Tenant, Landlord may, at any time and from time to time require that such assignee, subtenant, licensee or occupant agree directly with Landlord to be liable, jointly and severally with Tenant, for the performance of all Tenant's agreements under this Lease (including payment of rent). Landlord may collect rent and other charges from the assignee, subtenant, licensee or occupant, and apply the net amount collected to the rent and other charges herein reserved, but no such assignment, subletting, license, occupancy or collection shall be deemed a waiver of the provisions of Section 5.10, or the acceptance of the assignee, subtenant, licensee or occupant as a tenant, or a release of Tenant from direct and primary liability for the further performance of covenants on the part of Tenant herein contained. The consent by Landlord to an assignment or subletting shall not relieve Tenant from obtaining the consent of Landlord to any further assignment, subletting, license or occupancy.

5.11 ALTERATIONS, ADDITIONS, HEAVY EQUIPMENT, ETC.

Tenant shall not make any alterations or additions in or to the Premises without obtaining Landlord's prior consent, not to be withheld unreasonably.

## 5.12 SURRENDER AND LIEN FOR RENT

At the expiration of the Term or earlier termination of this Lease, Tenant shall peaceably give up and surrender the Premises without the requirement of any notice, including all work performed by Tenant (such work to be in conformity with the provisions hereof) and all replacements thereof, including carpeting, any water or electricity meters, and all fixtures and work (including partitions) in anyway bolted or otherwise attached to the Premises, but excluding trade fixtures of Tenant, the Premises to be in good order, repair and condition, damage by fire, casualty and reasonable wear excepted. Tenant shall, at the time of termination, remove the goods, effects and fixtures which Tenant is directed or permitted to remove in accordance with the provisions of this Section making any repairs to the Premises and other areas necessitated by such removal and leaving the Premises clean and tenantable. Should Tenant fail to remove any of such goods, effects, and fixtures, Landlord may have them removed forcibly, if necessary, and store any of Tenant's property in a public warehouse at the risk of Tenant and after a reasonable period deem such property abandoned and dispose of same as Landlord deems appropriate.

## 5.13 PAYMENT FOR TENANT WORK

Tenant shall pay promptly when due the entire cost of any work undertaken by Tenant in the Premises, including equipment, furnishings and fixtures, so that the Premises shall always be free of liens for labor or materials. Tenant shall obtain all permits or licenses for such work. Tenant shall also indemnify and save the Indemnitees harmless from all injury, loss, claims, liens or damage to any person or property occasioned by or arising from such work. If any mechanic's lien (which term shall include all similar liens relating to the furnishing of labor and materials) is filed against the Premises or the Building or any part thereof which is claimed to be attributable to Tenant, its agents, employees or contractors, Tenant shall promptly discharge the same by payment thereof or filing any necessary bond.

## ARTICLE VI

### CASUALTY AND TAKING

#### 6.1 DAMAGE BY FIRE OR CASUALTY

If the Premises or any part thereof shall be damaged by fire or other insured casualty, then Landlord shall proceed with diligence, subject to the then applicable statutes, building codes, zoning ordinances and regulations of any governmental authority, and at the expense of Landlord, to repair or cause to

be repaired such damage, excluding personal property, decorations or equipment originally installed by Tenant at Tenant's expense. If the Premises or any part thereof shall have been rendered unfit for use and occupation hereunder by reason of such damage the Fixed Rent and additional rent, or a just and proportionate part thereof, according to the nature and extent to which the Premises shall have been so rendered unfit, shall be suspended or abated until the Premises shall have been restored as nearly as practicable to the condition in which they were immediately prior to such fire or other casualty.

## 6.2 CONDEMNATION - EMINENT DOMAIN

6.2.1 Complete Taking. In case during the Term all of the Premises or the Building are taken by eminent domain or destroyed by the action of any public or quasi-public authority or in the event of conveyance in lieu thereof (collectively referred to as a "taking") this Lease shall terminate as of the date possession shall be taken by the authority.

6.2.2 Partial Taking. If only a part of the Premises are the subject of a taking, and the portion remaining will, after restoration, permit the Premises to be operated satisfactorily for the uses then made thereof, then Landlord shall restore the Premises to the extent practicable in the manner described in Section 6.1. If the parties disagree as to whether the Premises after such a taking may be operated satisfactorily for uses then conducted therein as described above the issue of satisfactory operation may be submitted, by either party, to arbitration under Section 8.11. If it is decided that the Premises may not be operated satisfactorily, as described above, the Term shall terminate effective as of the date of taking and Tenant may thereafter remove fixtures and equipment from the Premises which Tenant is required or permitted to remove hereunder. During any period of reconstruction in the Premises after a partial taking, the Fixed Rent and additional rent, or a just and proportionate part thereof, according to the nature and extent to which the Premises shall have been rendered unfit, shall be suspended or abated until the Premises shall have been restored as nearly as practicable to the condition in which they were immediately prior to such taking. Notwithstanding the provisions of this Section, however, Landlord shall have no obligation to restore the Premises in the event it shall terminate the Term of the Master Lease in accordance with the provisions of Section 6.2.2 thereof, and upon such termination the Term of this Lease shall also terminate, whereupon Tenant shall have the right to remove fixtures and equipment as aforesaid.

### 6.3 EMINENT DOMAIN AWARD

Except for Tenant's relocation expenses (specifically so designated) Tenant shall have no right by virtue of this Lease to receive awards made for damages to the Premises, Building and Land and the leasehold hereby created, or any one or more of them, accruing by reason of exercise of eminent domain or by reason of anything lawfully done in pursuance of public or other authority.

## ARTICLE VII

### DEFAULT

#### 7.1 EVENTS OF DEFAULT

If Tenant fails to pay fixed rent, additional rent or any other sum due within ten days after notice, or to perform any other covenant within 30 days after notice (provided, however, that such 30 day period shall be reasonably extended if the matters complained of can be corrected but the correction requires more than 30 days and Tenant begins to cure promptly within such period and thereafter diligently completes the cure), or if Tenant's leasehold shall be taken on execution or by other process of law, or if any of Tenant or any sublessee or assignee of Tenant's interest hereunder ("Assignee") executes an assignment for the benefit of creditors, a trust mortgage or similar document, or if Tenant or any Assignee is or becomes insolvent; or if a receiver, guardian, conservator, trustee, custodian or similar officer is appointed for any substantial part of the property of Tenant or any Assignee; or if a petition under any insolvency or bankruptcy law including a petition for reorganization is filed by or against Tenant or any Assignee; then in any such case Landlord lawfully may in addition to any other rights for this or any preceding breach immediately or at any time thereafter and without demand, notice or process of law enter upon any part of the Premises in the name of the whole (forceably if necessary) or mail a notice of termination to Tenant and thereby repossess the same as of Landlord's former estate. Upon such entry or mailing, as the case may be, the Term shall terminate, all executory rights of Tenant and obligations of Landlord under this Lease shall immediately cease and Landlord may expel Tenant and persons claiming through Tenant and remove their effects (forceably if necessary) without being deemed guilty of any trespass and without prejudice to any other remedies available for arrears of rent or other breach. Tenant waives any statutory and equitable rights in the nature of further cure or redemption. Tenant agrees that a notice by Landlord alleging any default and specifying that such notice is a notice to quit shall constitute a statutory notice to quit and waives any further notices to quit or of intention to reenter.

## 7.2 REIMBURSEMENT OF LANDLORD'S EXPENSES

In the case of termination of this Lease pursuant to Section 7.1 Tenant shall reimburse Landlord for all expenses arising out of such termination including without limitation all costs incurred in collecting amounts due from Tenant under this Lease (including reasonable attorneys' fees, costs of litigation and the like) and reimbursement shall be paid to Landlord upon demand as additional rent.

## 7.3 DAMAGES

If Landlord terminates for default, Tenant agrees to pay forthwith to Landlord at Landlord's election a single lump sum payment equal to the sum of (i) all Annual Fixed Rent, additional rent and all other sums due to the date of payment plus (ii) the excess of the rent reserved for the residue of the Term taking appropriate account of escalation provisions hereunder over the fair market rent of the Premises for the residue of the Term (adjusted to deduct any unreimbursed Landlord's expenses in repossessing the Premises). References to the Term in the prior sentence shall mean the Term exclusive of any extension term which has not commenced at the time of termination. Unless Landlord elects such lump sum payment Tenant agrees, notwithstanding such termination, to pay punctually to Landlord all Annual Fixed Rent and additional rent as if this Lease had not been terminated. Landlord may relet the Premises or any part or parts for a term or terms which may be equal to, less than, or exceed the period which would otherwise have constituted the balance of the Term and may grant such concessions as it considers advisable, and shall use all reasonable efforts to relet the Premises or portions thereof, but no failure to relet or collect rent under any reletting shall operate to release or reduce Tenant's liability.

In lieu of any other damages or recovery by Landlord of sums payable under the foregoing provisions of this Section 7.3, Landlord may by written notice to Tenant at any time within the twelve month period after termination for default elect to recover and Tenant shall thereupon pay as liquidated damages an amount equal to the aggregate of the Annual Fixed Rent and all additional rent accrued and payable in the ten months next preceding such termination, plus the amount of Annual Fixed Rent, additional rent and all other charges accrued and payable until the time such liquidated damages are paid, but less the recovery by Landlord under the foregoing provisions of this Section 7.3 up to the time of payment (but not less any amounts of reimbursement under Section 7.2).

#### 7.4 REMEDIES CUMULATIVE; JURY WAIVER

All rights and remedies of Landlord shall be cumulative and any two or more may be exercised at the same time. Nothing in this Lease shall limit the right of Landlord to prove and obtain in proceedings for bankruptcy or insolvency an amount equal to the maximum allowed by any statute or rule of law in effect at the time; and Tenant agrees that the fair value for occupancy of all or any part of the Premises at all times shall be no less than the Annual Fixed Rent and all additional rent payable from time to time. Landlord and Tenant waive trial by jury and any action to which they are parties. Tenant further agrees that it shall not interpose any counterclaim or set-off in any summary proceeding or in any action based in whole or in part on nonpayment of rent except to the extent that Tenant has not received rent due and owing under the Master Lease, with respect to which amount Tenant shall have a right of counterclaim or set-off.

### ARTICLE VIII

#### MISCELLANEOUS

#### 8.1 WAIVERS OF DEFAULT; ACCORD AND SATISFACTION

No consent by Landlord to any act or omission which otherwise would be a breach shall be construed to permit other similar acts or omissions. Landlord's failure to seek redress for violation of or to insist upon the strict performance of any covenant or the receipt by Landlord of rent with knowledge of any breach shall not be deemed a consent to or waiver of such breach. No breach shall be deemed to have been waived unless the waiver is in writing and signed by Landlord and no acceptance by Landlord of a lesser sum than the Annual Fixed Rent, additional rent or any other sum due shall be deemed to be other than on account of the earliest installment of such rent or other sum due. Nor shall any endorsement or statement on any check or in any letter accompanying any check or payment be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or pursue any other right or remedy.

#### 8.2 NOTICE

All notices, consents, approvals and the like shall be in writing and shall be delivered or mailed as certified mail, return receipt requested addressed, if to Landlord, at Landlord's address set forth in Section 1.1, or at such other address as Landlord shall have last designated by notice to Tenant, and if to Tenant to the City Manager at Tenant's address set forth in Section 1.1 with a copy to City Solicitor, City Hall, 975 Massachusetts

Avenue, Cambridge, Massachusetts 02139, or such other address as Tenant shall have last designated by notice to Landlord. If requested Tenant shall send copies of all notices in like manner to Landlord's mortgagees and any other persons designated from time to time by Landlord. Any notice so addressed shall be deemed duly given on the fifth business day following the day of mailing, whether or not accepted by the addressee.

### 8.3 EXCUSABLE DELAY

If either party is delayed in doing any act (other than payment of fixed rent, additional rent or any other charge) as the result of war, civil commotion, fire, flood or other casualty, labor difficulties, unavailability of labor, materials, equipment, energy or utility services, unusually severe weather or other like causes beyond such party's reasonable control then the delay shall not be counted in determining the time during which such act is to be completed (provided the foregoing shall not be construed to extend the permissible date for reconstruction of the Building beyond that determined under the Master Lease).

### 8.4 BROKERAGE

Each party warrants and represents to the other that it has not dealt with any broker in connection with this Lease or the Premises and agrees to indemnify and save other harmless (including reasonable attorneys' fees) from any breach of this warranty and representation. This warranty and representation shall survive the termination of the Term.

### 8.5 APPLICABLE LAW AND CONSTRUCTION

This Lease may be executed in counterparts and shall be construed as a sealed instrument in accordance with the laws of The Commonwealth of Massachusetts. If any provisions shall to any extent be invalid, the remainder shall not be affected. This lease contains all the agreements between Landlord and Tenant with respect to the occupancy of the Premises by Tenant and supersedes all prior dealings between them regarding such subject. It may be amended only by an instrument in writing executed by Landlord and Tenant. The provisions of this Lease shall bind Landlord and Tenant and their respective successors and assigns, and shall insure to the benefit of Landlord and its successors and assigns and of Tenant and its permitted successors and assigns. Titles are for convenience only and shall not be considered part of the Lease. The enumeration of specific examples of the general provisions shall not be construed as a limitation of the general provisions. The submission of a form of this Lease or any summary of its terms shall not constitute an offer by Landlord to Tenant; but a leasehold shall only be created and the parties bound when this Lease is executed and delivered by both Landlord and Tenant.

Nothing herein shall be construed as creating the relationship between Landlord and Tenant of principal and agent or of partners or joint venturers or any relationship other than Landlord and Tenant.

#### 8.6 ESTOPPEL CERTIFICATE

Upon not less than 10 days prior request, Landlord and Tenant agree each in favor of the other to execute, acknowledge and deliver a statement certifying that this Lease is unmodified and in full effect (or if there have been modifications that the same is in full effect as modified and stating the modifications), and the dates to which Annual Fixed Rent (and additional rent and all other charges) have been paid and any other information reasonably requested. Both parties agree that any such statement may be relied upon by any person to whom the same is delivered.

#### 8.7 LIMITATION OF TENANT'S LIABILITY

Landlord's only recourse for satisfaction of Tenant's obligations hereunder shall be in the property and assets of Tenant including Tenant's interest in the Premises but excluding any personal assets of any partner, trustee or beneficiary of Tenant.

#### 8.8 AUTHORIZED REPRESENTATIVES

Either party may from time to time designate to the other authorized representatives to act on behalf of the designating party hereunder. The other party may while such designation continues rely on the acts of such authorized representative as to the act of the designating party without further inquiry. At the date hereof, each party has designated as its authorized representative the person indicated thereas in Section 1.1.

#### 8.9 HOLDING OVER

If Tenant shall remain in possession of the Premises or any part thereof after the termination of the Term without a written agreement executed by Landlord, Tenant shall be deemed a tenant at will or by the month (requiring 30 days notice of termination by either party to the other) and shall thereafter pay monthly rent at the rate of double the amount of Annual Fixed Rent due for the twelve-month period immediately preceding such termination with all additional rent also payable as provided in this Lease, and shall otherwise comply with all the provisions of this Lease as if it had originally been a monthly tenancy.

## 8.10 LANDLORD'S CURING AND ENFORCEMENT

If Tenant fails to cure any breach within the applicable cure period Landlord at its option may (without waiving any right or remedy for Tenant's default) at any time thereafter cure such breach for the account of Tenant. Tenant shall reimburse Landlord's cost of so curing on demand as additional rent. Notwithstanding any other provision concerning cure periods, Landlord may cure any breach for the account of Tenant after such notice to Tenant (if any) as is reasonable under the circumstances (including telephone notice) if curing prior to the expiration of the applicable cure period it is reasonably necessary to prevent likely damage to the Premises or the Building or possible injury to persons or to protect Landlord's interest in the Premises or Building.

## 8.11 ARBITRATION

Except for judicial proceedings whereby Landlord seeks to recover possession of the Premises and/or to terminate the Term, all other disputes between the parties concerning any of their rights and obligations under this Lease shall be submitted upon demand of either party to the Boston office of the American Arbitration Association (AAA) with a request for arbitration by a single arbitrator in accordance with the commercial arbitration rules of the AAA and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Where the subject of arbitration involves the valuation of the Premises (or parts thereof or interest therein), however, the arbitration shall be by three arbitrators who shall be MAI appraisers with at least ten years experience as appraisers of commercial and medical real estate in the Greater Boston area. Compensation for the arbitrator(s) in all situations shall be in accordance with the standards then recommended by the Boston office of the AAA, and Landlord and Tenant agree to pay for such arbitration in accordance with the award. If the award does not provide for the allocation of payment, the expenses of the arbitration (including compensation of the arbitrator(s)) shall be borne by the party to whom the determination was adverse. Where this Lease does not specifically provide standards for the arbitrator(s) to resolve certain disputes the same shall be resolved on a reasonable commercial basis applicable to the development and management of urban commercial and medical real estate. If the AAA shall cease to provide arbitration for commercial disputes such disputes shall be submitted to any successor organization providing substantially the same services as were provided by the AAA and in the absence of such successor organization to a court of competent jurisdiction under the Arbitration Act of The Commonwealth of Massachusetts requesting the appointment of (an) arbitrator(s) in accordance with the provisions of that Act.

## 8.12 NOTICE OF LEASE

Neither party shall record this Lease but each party will upon the request of the other execute a recordable notice of lease.

## 8.13 SUBORDINATION; ASSIGNMENT OF RENTS

Unless Landlord exercises the subordination election in this Section, this Lease shall be superior to any mortgage or other voluntary lien hereafter encumbering all or a portion of Landlord's interest in the Building (collectively a "Mortgage"). Until the holder of a Mortgage (either superior or subordinate to this Lease) forecloses Landlord's interest in the Master Lease, no holder shall be liable for failure to perform any of Landlord's obligations (and such holder shall thereafter be liable only if it succeeds to and only while it holds Landlord's interest). No Fixed Rent, additional rent or other charges shall be paid more than 15 days prior to the due date; payments made in violation of this covenant shall except to the extent actually received by the holder of a Mortgage be a nullity as against such holder and Tenant shall be liable for the amount of such payments to such holder when and as they are due. Tenant shall if requested by Landlord give any notice of any alleged breach on the part of Landlord to any holder of a Mortgage designated by Landlord; and Tenant agrees that such holder shall have a separate consecutive reasonable cure period of no less than 30 days (to be reasonably extended in the same manner Tenant's 30 day cure period is extended) following Landlord's cure period in which the holder may but need not cure any Landlord's breach. The agreements in this Lease with respect to the rights and powers of the holder of a Mortgage constitute a continuing offer to any person which may be accepted by receiving a mortgage on Landlord's interest in the Building.

Upon notice to Tenant Landlord shall have the option to subordinate this Lease to any Mortgage of Landlord's interest in the building if the holder agrees to recognize the rights of Tenant under this Lease and assume Landlord's obligations hereunder upon acquiring Landlord's interest. In such event Tenant shall attorn to the holder as Landlord. Any Mortgage to which this Lease is or becomes subordinate may contain such terms and conditions as the parties thereto deem appropriate.

If from time to time Landlord assigns this Lease or the rents payable to any person whether such assignment is conditional in nature or otherwise such assignment shall not be deemed an assumption by the assignee of any obligations of Landlord; but the assignee shall be responsible only for breaches of Landlord's obligations which occur after it succeeds to and only while it holds Landlord's interest in the Building. Provisions of this Section shall be self-operative; nevertheless Tenant agrees to

execute, acknowledge and deliver any subordination agreements or other instruments from time to time requested by Landlord in furtherance of the following.

8.14 WAIVERS OF SUBROGATION

Any insurance carried by either party with respect to the Premises or property therein or occurrences thereon shall; if it can be so written without additional premium or with an additional premium which the other party agrees to pay, include a clause or endorsement denying to the insurer rights of subrogation against the other party to the extent rights have been waived by the insured hereunder prior to occurrence of injury or loss. Each party notwithstanding any provisions of this Lease to the contrary hereby waives any rights of recovery against the other for injury or loss due to hazards covered by such insurance to the extent of the indemnification received thereunder.

LANDLORD:

By: \_\_\_\_\_

TENANT:

City of Cambridge

By: \_\_\_\_\_  
City Manager

Approved as to form:

\_\_\_\_\_  
City Solicitor

LEE B. MACHT COMMUNITY HEALTH CENTER

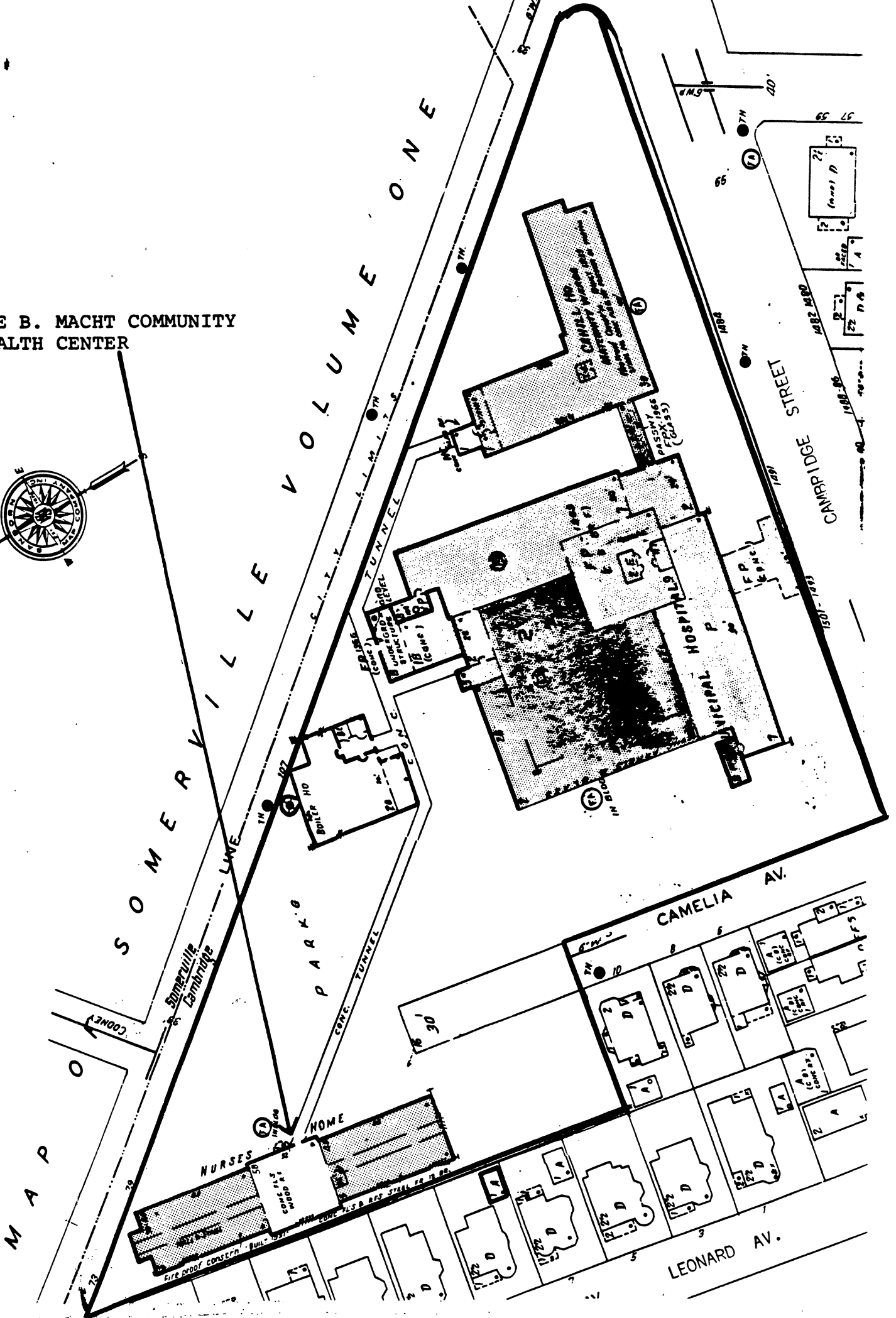
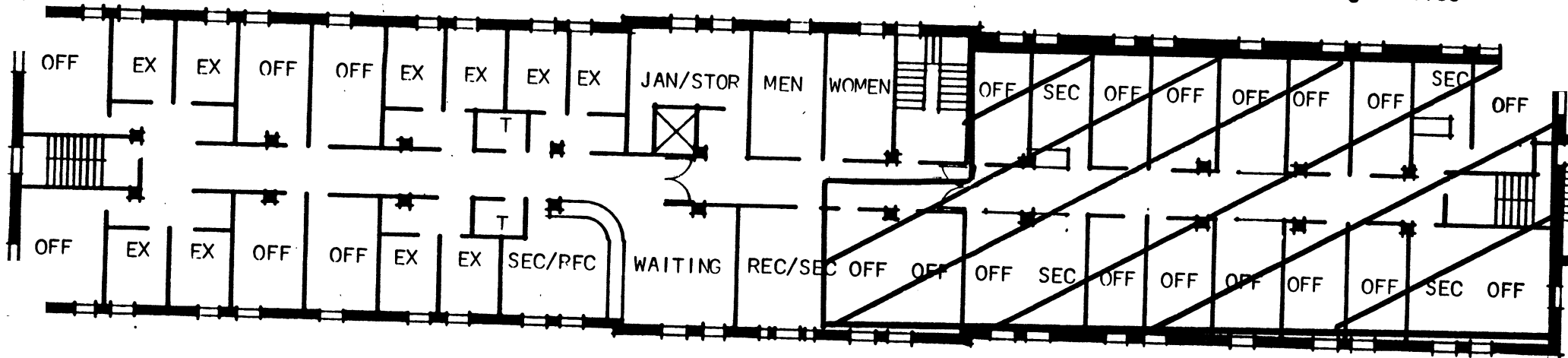


EXHIBIT B

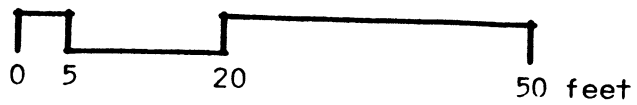
Medical Offices

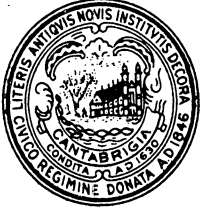
Administration

Training Service



THIRD FLOOR





#12.

## CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139  
Tel. 498-9011

EXECUTIVE DEPARTMENT  
ROBERT W. HEALY  
City Manager

September 23, 1983

To The Honorable City Council:

On January 17, 1983, the City Council passed two orders concerning the proposed lease and renovation of the former nurses residence at The Cambridge Hospital: an order accepting Chapter 543 of the Acts of 1982, a home rule petition facilitating the proposed lease, and an order accepting a deposit of \$30,000 from Daniel O'Connell's Sons, Inc., the developer tentatively selected for the renovation.

Lease negotiations have proceeded actively since January of 1983 and have culminated in final agreement between the City and the developer on master lease and sublease terms. Pursuant to the communication from The Cambridge Hospital and the Community Development Department, I request City Council action on the attached proposed order.

Sincerely,

Robert W. Healy  
City Manager

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Proposed lease and renovation of the former nurses residence at The Cambridge Hospital.

Copy sent to Dr. Melvin Chalfon,  
Commissions of Health Hospitals  
9/27/83

In City Council,

September 26, 1983

9/26/83

~~MV~~

Order Adopted

170-2

~~MV~~  
~~JA~~  
~~RF~~  
~~A~~