FIRST AMENDMENT TO LEASE

This Amendment is agreed upon by and between Cathugia Corporation d/b/a the Poppa and Goose Restaurant (hereinafter known as the “Tenant”) and the City of Cambridge, Massachusetts (hereinafter known as the “Landlord”) and hereby modifies the Lease dated September 1, 1997 for a portion of the premises located at 51-69 First Street, Cambridge, Massachusetts (hereinafter the “Lease”). The Landlord and Tenant agree as follows:

1. This Amendment only affects the rental rate for the Extended Term of the Lease as provided in Section 3 and Section 4(b) of the Lease.

2. The monthly rental rate will now consist of both the Basic Rent and Operating Costs as defined in Sections 4 and 5 of the Lease.

3. The rental rate for the first year of the Extended Term, September 1, 2002 through August 2003, will be $13.25 per square foot per month.

4. The rental rate for the second year of the Extended Term, September 1, 2003 through August 2004, will be $14.00 per square foot per month.

5. The rental rate for the third year of the Extended Lease Term, September 1, 2004 through August 2005 will be $15.00 per square foot per month.

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IN WITNESS
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filed w/ the Lease
that was approved 2002
this summer June 17th?
[initials]

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6. The rental rate for the fourth year of the Extended Term, September 1, 2005 through August 2006, will be $15.00 per square foot per month.

7. The rental rate for the fifth year of the Extended Term, September 1, 2006, through August 2007, will be $15.50 per square foot per month.

The Landlord and Tenant agree that all other provisions and terms of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Lease in duplicate, the original as a sealed instrument on September 1, 2002.

Tenant: CATHUGIA CORPORATION
D/B/A POPPA AND GOOSE RESTAURANT

By: Chon Vo
Its President

State of California

Santa Clara County ~~THE COMMONWEALTH OF MASSACHUSETTS~~
~~MIDDLESEX COUNTY, ss.~~ 11/29, 2002

Then personally appeared the above-named Chon Vo of Cathugia Corporation d/b/a Poppa and Goose Restaurant, and acknowledged the foregoing to be the free act and deed of said corporation, before me.

Z. JANY
COMM. # 1206503
NOTARY PUBLIC-CALIFORNIA
SANTA CLARA COUNTY
COMM. EXP. JAN. 19, 2003

Notary Public
My commission expires Jan. 19, 2003

Landlord: CITY OF CAMBRIDGE

By: Robert W. Healy
Robert W. Healy
City Manager

THE COMMONWEALTH OF MASSACHUSETTS
MIDDLESEX COUNTY, ss. 12/5, 2002

Then personally appeared Robert W. Healy the Cambridge City Manager, as aforesaid, and acknowledged the foregoing instrument to be the free act and deed of the City, before me.

Notary Public
My commission expires 10/25/2007

Approved as to form:

By: Donald A. Drisdell
Donald A. Drisdell
City Solicitor

Agenda # 11

Cathugia Corp.
Lease of Chow Vo Dinh d/b/A
Poppa & Goose

LEASE

This LEASE is made and entered into as of this 1st day of September 1997 by and between the City of Cambridge, Massachusetts, acting by and through its Community Development Department, Cambridge, Massachusetts (hereinafter "Landlord") and Cathugia Corp., a Massachusetts corporation with its principal office at 69 First Street, Cambridge, Massachusetts, 02141 (hereinafter "Tenant").

1. Premises. In consideration of the rents and covenants herein stipulated to be paid and performed by Tenant and upon the terms and conditions herein specified, Landlord hereby leases to Tenant, and Tenant hereby hires and takes from Landlord, the following-described premises:

> A portion of the building located at 51-69 First Street in Cambridge, Massachusetts (the "Building") as shown cross-hatched or outlined on the lease plan attached hereto as Exhibit A, being known as and numbered 69 First Street, Cambridge, Massachusetts, consisting of a portion of the ground floor of the Building containing approximately 2800 square feet of rentable area (the "Premises").

The Premises are leased together with the right of Tenant to use for its customers, employees and visitors, in common with others entitled thereto, such common areas and facilities in or appurtenant to the Building as Landlord may from time to time designate and provide.

2. Use. (a)Tenant may use the Premises for the sale of groceries and food products for consumption on and off the Premises, for conducting cooking classes and as a facility for preparation and distribution of food products.

(b) The use and occupation of the Premises shall at all times be in compliance with the ordinances of the City of Cambridge, the rules and regulations of the Traffic, Parking and Transportation Department, the License Commission, and the Inspectional Services Department, and the laws of the Commonwealth of Massachusetts and the United States of America and any regulations under any thereof. A violation of any ordinance, law or regulation shall automatically terminate the lease at the discretion of the Landlord.

(c) The Tenant shall keep the Premises open for business at least 6 days a week, including at least Thursday, Friday and Saturday; provided, however, the Tenant shall not open for business before 10:00 a.m.

(d) The Tenant shall not use, permit or suffer anything to be done on the Premises or anything to be brought into or kept in the Premises, in either case, which occasions discomfort or annoyance to any other tenant or occupants of the Building, or which in the Landlord's reasonable judgment may tend to impair the reputation or appearance of the Building or tend to interfere with the proper and economic operation of the Building by the Landlord. The Tenant shall not bring or permit to be brought into or keep in or on the Premises or elsewhere in the Building any inflammable, combustible or explosive fluid, material, chemical or substance, or cause or permit any noise or odors beyond those associated with a well-run similar business, to emanate from or permeate the Premises and the Building. The Tenant shall not permit the sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building to be covered or obstructed such that views to the interior of the premises shall be blocked, nor shall any bottles, parcels or other articles be placed on any window sills such that views to the interior of the premises shall be blocked. The Tenant shall comply with all rules and procedures that the Landlord provides regarding recycling and storing trash.

3. Term. (a) Subject to the terms, covenants, agreements and conditions contained herein, Tenant shall have and hold the Premises for an initial term (the "Initial Term") of five (5) years, commencing on September 1, 1997 (the "Commencement Date") and expiring at midnight, on August 30th, 2002.

(b) Thereafter, so long as Tenant is not in default hereunder, Tenant shall have the right and the option to extend this Lease for one extended term of five (5) years (the "Extended Term"). The Extended Term shall commence on the day after the expiration of the initial term and shall expire at midnight on the day five years thereafter of the commencement of the Extended Term. Tenant shall exercise its option to extend for the Extended Term by giving written notice to Landlord at least 180 days prior to the end of the Initial Term. The giving of such notice shall automatically extend the term of this Lease for the Extended Term and no instrument of renewal need be executed. If Tenant fails to give such notice exercising its option for the Extended Term, this Lease shall automatically expire at the end of the current Term, and Tenant shall have no further option to extend the term of the Lease. The Initial Term and the Extended Term are hereinafter collectively referred to as the "Term" of this Lease.

4. Basic Rent; Security Deposit. (a) The Tenant covenants to pay to the Landlord, during the Initial Term, a fixed minimum rent at a rate equal to Thirty-five Thousand Seven Hundred and Twenty-eight Dollars ($35,728). Such minimum rent is payable in equal monthly installments of Two Thousand Nine Hundred and seventy-seven Dollars and thirty-three cents ($2,977.33). The monthly installments shall be paid in advance, on the first day of every calendar month during the Initial Term hereof commencing on the Commencement Date (such fixed minimum annual rent which includes Base Rent (as hereinafter defined) and base year operating expenses of Two Dollars and seventy-five cents per square foot, is hereinafter called the Basic Rent). In addition Tenant shall pay one lump sum payment of Two Thousand Five Hundred Dollars ($2,500) as reimbursement for the service fees for cleaning the drains which shall be due and payable on the commencement date of the Lease as defined herein. The Base Rent for the purposes of this Section 4 shall be Ten Dollars and one cent ($10.01) per square foot during the first year of the Initial Term of this Lease.

(b) If Tenant exercises its option to extend the Term of this Lease for the extended Term, Tenant covenants to pay to Landlord, during the Extended Term of this Lease, Basic Rent in an amount to be negotiated and mutually agreed upon by Landlord and Tenant and to be based upon an amount equal to fair market annual rent for five (5) year leases in comparable retail buildings in comparable areas of the City of Cambridge commencing in the Summer of 2002, and taking into account other sums payable hereunder, but in no event shall Basic Rent for the Extended Term be less than the Basic Rent for the Initial Term. Landlord shall establish the Basic Rent for the Extended Term of this Lease by giving Tenant written notice of the amount of Basic Rent not more than 180 days nor less than 90 days prior to the end of the Initial Term. Basic Rent for the Extended term is payable in equal monthly installments, in advance, on the first day of every calendar month during the Extended Term.

(c) Tenant will pay the Basic Rent without set-off, deduction or demand to Landlord at its address set forth above, or at such other place as is designated in writing from time to time by Landlord.

(d) Landlord acknowledges receipt of a deposit by Tenant in an amount equal to two (2) months of Basic Rent to be held by Landlord as security for Tenant's performance of its obligations under this Lease. Landlord may apply the deposit against any amounts due Landlord by reason of Tenant's default in the performance of such obligations. Any balance remaining shall be returned to Tenant upon redelivery of possession of the Premises to Landlord. Landlord shall have the unrestricted right to the use of the deposit during the Term of this Lease.

5. Operating Cost Escalation. (a) As used in this Section, these words and terms shall have, the following meanings:

(i) "Operating Costs" shall mean costs incurred and expenditures made by the Landlord in the operation and management of the Building and the land on which the Building is situated (hereinafter collectively called the Property), which are allocable to the rentable area in the Building leased or reserved for leasing as retail space, exclusive of financing expenses, and as determined in accordance with generally accepted accounting principles. Operating Costs include, without limitation, costs of cleaning common areas (excluding the garage), the exterior of the Premises and the Building grounds, including costs of materials and equipment; maintenance and repairs to the Property (including landscaping and repair of Building components); payments under all service contracts relating to the operation and maintenance of the Property; management fees; wages, salaries, benefits, payroll taxes and unemployment compensation insurance for employees of Landlord or any contractor of Landlord engaged in the cleaning, operation or maintenance of the Property; insurance relating to the Property; legal fees related to the management of tenants and the operation of the Property; any capital expenditure made by Landlord following the Commencement Date for the purpose of reducing other operating expenses or complying with any governmental requirement, amortized over the life-of the improvement according to sound accounting practices; payments other than taxes (as hereinafter defined) to the City of Cambridge (including, but not limited to, water and sewer charges, fire service fees and other user fees), supplies and all other expenses customarily incurred in connection with the operation of a retail building.

(ii) "Operating Escalation Statement" shall mean a statement in writing signed by Landlord, setting forth the amounts payable by Tenant for a specified computation year pursuant to this Section.

(b) If in any calendar year occurring during the Term of this Lease, the Operating Costs for such year exceed the amount of Seven Thousand, Seven Hundred and /100 Dollars ($7700.00) (the "Base Operating Cost Amount"), Tenant shall pay to Landlord an amount equal to twenty-four and seven percent (24.7%) of such excess (the Operating Cost Excess). Such amount shall be due and payable within fifteen (15) days following receipt by Tenant of the operating Escalation Statement for such year. On or before December 1 of each year Landlord shall furnish to Tenant a reasonable operating cost budget for the next succeeding calendar year. Commencing on September 1, 1997 and on the first day of every calendar month thereafter during the Term of this Lease, Tenant shall pay to Landlord, as estimated payments of the Operating Cost Excess, one-twelfth (1/12) of the sum, if any, shown to be due in the Operating Cost budget for such calendar year. Such payments shall be credited to the sum, if any, finally determined to be payable for the calendar year pursuant to the Operating Escalation Statement, with the excess estimated payments, if any, credited by Landlord to Tenant in equal amounts over the next succeeding twelve months of the Term of this Lease. If this Lease shall commence or terminate in the middle of a calendar year Tenant shall be liable for only that portion of the Operating Cost Excess in respect of such calendar year represented by a fraction the numerator of which is the number of days of the term which falls within the calendar year and the denominator of which is three hundred sixty-five (365).

(c) If Tenant exercises its option to extend the Term of this Lease for the Extended Term, the Base Operating Cost Amount for the Extended Term shall be the total operating costs shown in the most recent available operating Escalation Statement.

6. Taxes. Tenant shall, without limitation, be solely responsible for paying and discharging all taxes of every kind attributable to the Premises including assessments, levies, and fees, which may at any time, be assessed, and levied or imposed upon the Premises.

7. Improvements and Alterations. (a) During the Term of this Lease, Tenant, at its own expense, may make alterations, additions and improvements (including, without limitation, the improvements made pursuant to Section 8 hereof) to the interior of the Premises which are necessary or appropriate for the conduct of Tenant's business with Landlord's prior written consent and in accordance with detailed working drawings and specifications describing such work which have been submitted in advance to and approved in writing by Landlord and with a contractor approved by Landlord. Tenant shall pay all costs of preparing plans, drawings and specifications. Such alterations, additions and improvements (specifically excluding movable personal property installed by Tenant) are hereinafter collectively called the "Improvements". All the Improvements, whether placed in or attached or made to the Premises prior to or during the Term of this

Lease, shall become and be Landlord's property and, unless Landlord otherwise elects, shall be and remain part of the Premises as of the expiration or earlier termination of the Term. Construction of the Improvements shall be performed diligently and in a good and workmanlike manner and shall be expeditiously completed in compliance with all laws, ordinances, orders, rules, regulations and requirements. All work done in connection with the Improvements shall comply with all requirements of insurance policies maintained by Landlord and Tenant. Tenant, at its expense, shall procure all permits and licenses required by any governing authority having jurisdiction over the Premises and the business to be conducted in the Premises. Tenant shall promptly pay all costs and expenses of the Improvements and shall furnish indemnification bonds against performance, liens, costs, damages and expenses in form and amount reasonably satisfactory to Landlord, in connection with all alterations and Improvements. In case of damage or destruction of such Improvements during the Term of this Lease, Tenant shall have the right to recover its loss from any insurance company with which it has insured the same, notwithstanding that such Improvements shall be considered part of the Premises at the end of the Term of the Lease. At the end of the Term of this Lease, if not then in default hereunder, Tenant shall remove all of its personal property other than the Improvements, and, at the option of Landlord, Tenant shall remove any or all of the Improvements. If Landlord elects to have Tenant remove the Improvements, Landlord shall not require removal of pipes, wires and the like from walls, ceilings or floors provided, that Tenant properly cuts, caps and disconnects such pipes and wires and seals them off in a safe and lawful manner flush with the applicable wall, floor or ceiling and redecorates the area consistent with the remainder of the Premises; Tenant shall maintain the Improvements in a first class manner during the Term of the Lease and shall be responsible for any and all damage to the Premises, the fixtures, appurtenances and equipment of Landlord or the Building caused by the installation, malfunction or removal of the Improvements or Tenant's Property as defined in Section 10 below.

(b) To protect the architectural integrity and appearance of the Building, Tenant shall not install any signs on the exterior of the Building or Premises or in the interior of the Premises if visible from the exterior of the Premises except as required by paragraph 8 and permitted by this paragraph. All signs or lettering, if any, visible from the exterior of the Building or from the lobby, public corridors or in any other common area or public place must be submitted to Landlord for written approval of the size, color, design, and location of such signs or lettering as part of the design review process of City of Cambridge Community Development Department before installation.

8. Property of Tenant. Subject to the provisions of this Section 8, Tenant may place, and store trade fixtures and the like (Tenant's Property) in the Premises. Tenant shall not place a load upon any floor of the Premises exceeding the floor load per square foot area, which such floor was designated to carry and which is allowed by law. Machines and mechanical equipment and Tenant's other personal property shall be placed and maintained by Tenant at its expense in settings sufficient to absorb and prevent vibration, noise and annoyance. Tenant covenants and agrees that all Tenant's Property of every kind, nature and description which may be in or upon the Premises or Building, in the public corridors, or on the sidewalks, area ways and approaches adjacent thereto, during the Term hereof, and any movement of Tenant's Property, shall be at the sole risk and hazard of Tenant and Tenant hereby indemnifies and agrees to save Landlord harmless from and against any liability, loss, injury, claim or suit resulting directly or indirectly therefrom.

9. Maintenance and Repair. (a) Tenant shall, at its sole cost and expense, maintain the Premises in good order, condition and repair and shall make all foreseen and unforeseen and ordinary and extraordinary changes and repairs required to keep the Premises in good repair and condition including, without limitation, sewer connections, plumbing, heating, cooling and ventilating equipment, wiring and glass, and the doors, locks, hardware, carpets, walls, ceilings, and fixtures in the Premises. Tenant shall wash any dishes and perform any cleaning necessary to maintain in a clean and sanitary condition, free of all vermin, any Kitchen Areas or any other areas in the Premises in which beverages or foods may be prepared or dispensed. Tenant, at its own expense, shall supply all light bulbs, tubes or similar devices for lighting the Premises and Landlord may (but shall be under no obligation to do so) offer to supply such devices for a reasonable fee to be established by Landlord and to be paid by Tenant to Landlord in addition to any other payments pursuant to the terms of this Lease. Tenant shall keep the sidewalks in front of the Premises free from all litter, dirt, debris, snow and obstructions.

(b) Landlord shall (i) keep the Building foundations, exterior walls and other structural elements of the Premises and electrical and plumbing systems contained within the Premises but serving other portions of the Building in good and serviceable condition and repair (except for any repair or replacement occasioned by any act or neglect of Tenant, its servants, agents, customers, contractors, employees or licenses); (ii) keep the garage in serviceable repair and in a reasonably clean and safe condition; and (iii) comply with applicable governmental rules, regulations, laws and ordinances affecting the Building's foundation, exterior walls or other structural elements, unless any violation of same is caused by Tenant or Tenant's use of the Premises or Tenant's neglect in connection therewith.

10. Services. (a) At Tenant's direct expense as hereinafter provided, Landlord shall furnish to the Premises electricity and water, in the quantities and capacities available to the Premises at the execution of this Lease, and reasonable quantities of natural gas for Tenant's permitted uses. If Tenant shall require electricity or water in excess of such quantities or capacities, Tenant, at its sole expense and upon the prior written consent of Landlord, may install such additional pipes, wires, conduits, feeders, switchboards and related equipment as reasonably may be required to supply such additional requirements of Tenant. All electricity and gas used at the Premises shall be separately metered. Tenant shall pay when due, directly to the applicable public or private utility, all charges for electricity, gas, telephone and other utilities supplied to or consumed upon the Premises during the Term, whether initially charged to Landlord or Tenant and whether designated as a charge, tax, assessment, fee or otherwise.

(b) In the event Tenant wishes to provide outside services for the Premises over and above those services to be provided by Landlord or Tenant as set forth herein, Tenant shall first obtain the prior written approval of Landlord for the installation and/or utilization of such services. "Outside Services" shall include, without limitation, cleaning services, security services, television, and so-called "canned music" services. Landlord shall have the right to prohibit Tenant from any further use of an outside service, which Landlord reasonably determines is objectionable to Landlord, the East Cambridge Community or the general public. Any installation and utilization of outside services shall be at Tenant's sole cost, risk and expense.

11. Inspection. Landlord and its authorized representatives shall have the right at all reasonable times to enter the Premises to inspect the same, to make repairs or replacements therein as required by this Lease, to exhibit the Premises to prospective tenants or others, and to introduce conduits and pipes or ducts as may be necessary; provided, however, that Landlord shall use all reasonable effort not to unduly disturb the Tenant's use and occupancy. Landlord shall not be liable to Tenant in any manner for any expense, loss or damage occurring by reason of the aforesaid-entries, nor shall the exercise of any such right be deemed an eviction or disturbance of Tenant's use or possession.

12. Casualty. (a) If the Premises or any part thereof shall be damaged by fire or other casualty, Tenant shall give prompt notice to Landlord. All repairs to and replacements of Tenant's Property and Improvements (as defined in Section 7) shall be made by and at the expense of Tenant. If the Premises or any part thereof shall have been rendered unfit for use and occupation hereunder by reason of such damage, the Basic Rent or a just and proportionate part thereof, according to the nature and extent to which the Premises shall have been so rendered untenantable, shall be suspended or abated until the Premises (except the Improvements and Tenant's Property which are to be repaired by or at the expense of Tenant) shall have been restored as nearly as practicable to the condition in which they were immediately prior to such fire or other casualty. Landlord shall not be liable for delays in the making of any such repairs which are due to governmental regulations, casualties and strikes, unavailability of labor and materials, and other causes beyond the control of Landlord, nor shall Landlord be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting from reasonable delays in repairing such damage.

(b) If more than fifty-percent (50%) of the Building or any part thereof is damaged by such fire or other casualty, then, whether or not the Premises shall have been damaged by such fire or other casualty, this Lease and the Term hereof may be terminated at the election of Landlord or Tenant by giving a written notice of termination to the other party within sixty (60) days following such fire or other casualty, the termination date being specified in such notice as a date not less than thirty (30) days after the day on which such termination notice is given. In the event of any such termination, this Lease and the Term hereof shall expire as of such effective termination date and the Rent shall be apportioned as of such date. If the Premises or any part thereof shall have been rendered untenantable by reason of such damage the Basic Rent for the period from the date of the fire or other casualty to the effective termination date, or a just and proportionate part thereof, according to the nature and extent to which the Premises shall have been so rendered untenantable, shall be abated.

13. Condemnation - Eminent Domain. (a) If the Building or any part thereof or the access thereto shall be taken or appropriated by eminent domain or shall be condemned for any public or quasi-public use, or (by virtue of any such taking, appropriation or condemnation) shall suffer any damage (direct, indirect or consequential) for which Landlord or Tenant shall be entitled to compensation, then (and in any such event) this Lease and the Term hereof may be terminated at the election of Landlord by giving a written notice of termination to Tenant within sixty (60) days following the date on which Landlord shall have received notice of such taking, appropriation or condemnation. In the event of such termination this Lease and the term hereof shall expire as of such effective termination date and the Rent shall be apportioned as of such date.

(b) If the means of access to the premises can and have been restored as fully as practicable for permanent use and occupation, the Landlord shall not be liable for any delays in such restoration which are due to governmental regulations, casualties, strikes, unavailability of labor or materials, or other causes beyond Landlord's control nor shall Landlord be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting from reasonable delays in such restoration. Landlord expressly reserves and Tenant hereby assigns to Landlord all rights to compensation and damages created, accrued or accruing by reason of any such taking, appropriation or condemnation, but not including (i) relocation assistance payments by a governmental agency or entity, and (ii) any award specifically made to Tenant for interruption of its business.

(c) If the Premises or any part thereof or the access thereto shall be taken, appropriated or condemned for any temporary use (i) this Lease shall be and remain unaffected thereby and Tenant shall continue to pay the full amount of the Rent hereunder, (ii) Tenant shall be entitled to receive for itself any award made for such use allocable to the Term of this Lease, and (iii) Tenant shall be responsible for any repairs necessary to restore the Premises to their condition prior to such taking, appropriation or condemnation, provided that if any such taking, appropriation or condemnation extends beyond the Term of this Lease the costs of such repairs shall be allocated between Landlord and Tenant in proportion to the amount of any award each receives. Any taking, appropriation or condemnation continuing in excess of one year shall be deemed to be a permanent taking, appropriation or condemnation and shall be governed by subparagraphs (a) and (b) of this Section.

14. Injury and Damage. Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, electrical disturbance, water, rain, snow or leaks from any part of the Building or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature, unless caused by or due to the act, omission, fault, negligence or misconduct of Landlord, or its agents, servants or employees; nor shall Landlord or its agents be liable for any such damage caused by other tenants or persons in the Building or caused by construction operations of any private, public or quasi-public person; nor shall Landlord be liable for any latent defect in the Premises or in the Building.

15. Indemnification. Tenant hereby indemnifies and covenants to save Landlord harmless from and against any and all claims, liabilities or penalties asserted by or on behalf of any person, firm, corporation or public authority:

(i) on account of or based upon any injury to person(s), or loss of or damage to property, sustained or occurring on the Premises on account of or based upon the act, omission, fault, negligence or misconduct of any person other than Landlord or its servants agents or employees;

(ii) on account of or based upon any injury to person, or loss of or damage to property, sustained or occurring in or about the Property and other than on the Premises (and, in particular, without limiting the generality of the foregoing, on or about the elevators, stairways, public corridors, sidewalks, concourses, arcades, approaches, area ways, roof or other appurtenances and facilities used in connection with the Building or the Premises) arising out of the use or occupancy of the Building or the Premises by the Tenant or by any person claiming by, through or under Tenant, and caused by the act, omission, fault, negligence or misconduct of any person other than Landlord or its servants, agents or employees, and in addition to and not in limitation of the foregoing subdivision (i); and

(iii) on account of or based upon (including monies due on account of) any work or thing whatsoever done (other than by Landlord or its contractors, or agents or employees of either) on the Premises during the Term of this Lease and during the period of time, if any, prior to the Commencement Date when Tenant may have been given access to the Premises; and

(iv) with respect to any of the foregoing, from and against all costs, expenses (including, without limitation, reasonable attorneys' fees) and liabilities incurred in or in connection with any such claim, or any action or proceeding brought thereon. If any action or proceeding be brought against Landlord by reason of any such claim, Tenant upon notice from Landlord shall at Tenant's expense resist or defend such action or proceeding and employ counsel therefor reasonably satisfactory to Landlord, it being agreed that such counsel as may act for insurance underwriters of Tenant engaged in such defense shall be deemed satisfactory.

16. Insurance. (a) Tenant agrees to maintain public liability insurance in an amount not less than $1,000,000 per person and $2,000,000 per occurrence for personal injuries or deaths occurring in or about the Premises and the Building and property damage liability insurance (including Builders Risk) in an amount not less than $500,000 and to submit and maintain copies of such policies with Landlord. The insurers under such policies shall be satisfactory to Landlord and such policies shall name as insured parties Landlord and Tenant and any party holding an interest to which this Lease may be subordinated pursuant to Section 23, as their interests may appear, and shall provide twenty (20) days prior written notice to Landlord of lapse or cancellation.

(b) Tenant will not do or omit to do or keep anything in, upon or about the Premises, the Building or any adjacent areas which may prevent the obtaining of any fire, liability or other insurance upon or written in connection with the Premises, the Building or such adjacent areas or which may make any such insurance void or voidable or otherwise invalidate the obligations of the insurer contained therein, or which may create any extra premiums or increase the rate of any such insurance over that normally applicable to office buildings. Tenant agrees to pay to Landlord, upon demand, the amount of any extra premiums or any increase in the rate of such insurance, which results from the business carried on in the Premises by Tenant, whether or not Landlord has consented to such business. If Tenant installs any electrical equipment that overloads the lines in the Premises, Tenant shall, at its own expense, make whatever changes are necessary to comply with the requirements of the insurance underwriter or governmental authorities having jurisdiction, but such changes shall be made in accordance with the provisions of Section 7.

17. Waiver of Subrogation. (a) Tenant and Landlord covenant that with respect to any insurance coverage carried by either Tenant or Landlord in connection with the Premises or the Building, whether or not such insurance is required by the terms of this Lease, such insurance shall provide for the waiver by the insurance carrier of any subrogation rights against Landlord, its agents, servants and employees under Tenant's insurance policies or against Tenant, its agents, servants and employees under Landlord's insurance policies, where such waiver of subrogation rights does not require the payment of an additional premium, or, if an additional premium is required to be paid, the other party offers to pay such premium after being notified of such additional premium.

(b) Notwithstanding any other provision of this Lease, (i) Landlord shall not be liable to Tenant for any loss or damage, whether or not such loss or damage is caused by the negligence of Landlord, its agents, servants or employees, to the extent that such loss or damage is covered by valid and enforceable insurance carried by Tenant; and (ii) Tenant shall not be liable to Landlord for any loss or damage, whether or not such loss or damage is caused by the negligence of Tenant or its agents, servants or employees, to the extent that such loss or damage is covered by valid and enforceable insurance carried by Landlord.

18. Assignment, Mortgaging, Subletting. (a) Tenant covenants and agrees that neither this Lease nor the Term hereof, nor the estate hereby granted, nor any interest herein or therein, will be assigned, mortgaged, pledged, encumbered or otherwise transferred, and that neither the Premises, nor any part thereof, will be, encumbered in any manner by reason of any act or omission of Tenant, or used or occupied, or permitted to be used or occupied, by anyone other than Tenant and its employees, or for any use or purpose other than as above stated, or be sublet, or offered or advertised for subletting, without in each case, Landlord's prior written consent. Any assignment of this Lease made hereunder shall be upon the express condition that the assignee and Tenant shall promptly execute, acknowledge and deliver to Landlord an agreement in form and substance satisfactory to Landlord whereby assignee shall agree to be personally bound by the terms, covenants, and conditions of this Lease on Tenant's part to be performed and whereby assignee shall expressly agree that the provisions of this Section shall,

notwithstanding such assignment or transfer, continue to be binding upon it with respect to all future assignments and transfers. Any sublease of the Premises or any part thereof shall be expressly subject to the terms of this Lease and shall contain the agreement of the subtenant thereunder that, upon Landlord's written request, it will pay all rents under the sublease directly to Landlord. If, pursuant to this Section, Tenant sublets the Premises or any part thereof or assigns this Lease, Tenant shall pay to Landlord at the times and in the manner specified by Landlord, an amount equal to one hundred percent (100%) of the difference between all amounts which Tenant receives from a subtenant or assignee by virtue of a subletting or assignment pursuant to the provisions of this Section, and the total Basic Rent due under this Lease for the sublet or assigned area apportioned on a square foot basis, provided said difference is greater than zero. No assignment or subletting of the Premises by Tenant shall relieve Tenant from the observance or performance of any of the terms, covenants and conditions of this Lease.

(b) If this Lease be assigned, or if the Premises or any part thereof be sublet or occupied by anybody other than Tenant and its employees, Landlord, after default by Tenant hereunder, may collect the rents from such assignee, subtenant or occupant, as the case may be, and apply the net amount collected to the Rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of the requirements set forth in subparagraph (a) of this Section, the acceptance by Landlord of such assignee, subtenant or occupant, as the case may be, as a tenant, or a release of Tenant from the future performance by Tenant of its covenants, agreements and obligations contained in this Lease. The consent by Landlord to an assignment or subletting shall not in any way be construed to relieve Tenant from obtaining the express consent in writing of Landlord to any further assignment or subletting. No assignment, subletting or use of the Premises shall affect the purpose for which the Premises may be used as stated in Section 2.

(c) The listing of any name other than that of Tenant, whether on the doors of the Premises or on the Building directory, or otherwise, shall not operate to vest any right or interest in this Lease or in the Premises or be deemed to be the written consent of the Landlord mentioned in this Section, it being expressly understood that any such listing is a privilege extended by Landlord revocable at will by written notice to Tenant.

(d) Tenant further covenants and agrees that it will not sublease space from or take an assignment of a lease covering space in the Building from any other Building tenant or sublease to or assign this Lease to any other Building tenant.

19. Default. (a) If Tenant shall default in the payment of the Rent or any other charges or sums due hereunder and such default shall continue for ten (10) days after written notice thereof by Landlord to Tenant or if Tenant shall default in the performance of any other of its obligations and such default shall continue for twenty (20) days, after written notice thereof by Landlord to Tenant (except that if Tenant cannot reasonably cure any such default within said twenty (20) day period, this period may be extended for a reasonable time required to cure the default, provided that Tenant commences to cure such default within the twenty (20) day period and proceeds diligently thereafter to effect such cure) or if Tenant shall abandon the Premises or if Tenant shall file a petition under any bankruptcy, insolvency law or code, or if such a petition filed against Tenant is not dismissed within sixty (60) days, or if Tenant shall be adjudicated bankrupt or insolvent according to law, or if Tenant shall make any assignment for the benefit of creditors, or if Tenant shall file any petition seeking a reorganization, arrangement or similar relief, or if a receiver, custodian, trustee or similar agent of the Premises or of all or a substantial part of Tenant's assets shall be authorized or appointed, or if Tenant's interest in this Lease is taken upon execution or other purposes of law in any action against Tenant, then Landlord may lawfully enter the Premises and repossess the same as the former estate of Landlord, or terminate this Lease by written notice to Tenant and, in either event, expel Tenant and those claiming through or under Tenant, and remove their effects (forcibly, if necessary), without being deemed guilty of any manner of trespass and without prejudice to any other remedy which Landlord may have for arrears of Rent and other charges and sums due hereunder or proceeding on account of breach of covenant, and upon entry or notice as aforesaid, this Lease shall terminate. Tenant covenants, in case of any default by Tenant hereunder, to pay Landlord all costs of enforcing Landlord's rights under this Lease (including, without limitation, attorneys' fees and expenses), loss of rent, reletting expenses, and brokerage fees together with, as agreed liquidated damages either (i) the amount by which, at the termination of the Lease, the aggregate of the Rent (including, without limitation, the Tax and Operating Cost payments projected on the basis of experience under this Lease) and other sums

payable hereunder projected over a period from such termination until the normal expiration date of the Term exceeds the aggregate projected fair market rental value of the Premises for such period, or (ii) an amount equal to the Rent (including, without limitation, Operating Costs and Tax Excess payments projected on the basis of experience under this Lease) and other sums which would have been payable had the Lease not so terminated (subject to off-set for net rents actually received from reletting after subtraction of the expenses of reletting), payable upon the due dates as specified herein, whichever the Landlord shall elect.

(b) Landlord may bring legal proceedings for the recovery of such damages, or any installments thereof, from time to time at its election, and nothing contained herein shall be deemed to require Landlord to postpone suit until the date when the Term of this Lease would have expired if it had not been terminated hereunder.

(c) Nothing herein contained shall be construed as limiting or precluding the recovery by Landlord from Tenant of any sums or damages (including, without limitation, reasonable attorneys' fees and expenses) to which, in addition to the damages particularly provided above, Landlord may lawfully be entitled by reason of any default hereunder on the part of Tenant. Landlord and Tenant agree that, for the purpose of computing liquidated damages, the Tax Excess payments, Operating Cost payments and Percentage Rent for the period between the termination of this Lease pursuant to this Section and the normal expiration date shall be computed by multiplying the sum of the Tax Excess payment for the Fiscal Year immediately preceding the Fiscal Year in which termination occurs and the Operating Costs payments and Percentage Rent payments for the year immediately preceding the year in which termination occurs times the number of years and any fraction thereof remaining of the full Term hereby granted on the assumption that the amount of such Tax Excess payment, Operating Cost payment and Percentage Rent payments for the immediately preceding year would have remained constant for each subsequent year during the full Term of this Lease. If this Lease and the Term hereof shall terminate pursuant to this Section prior to the determination of the initial Tax Excess payment and Operating Cost payment, the Tax Excess payment and the Operating Costs payment shall be reasonably estimated by Landlord, in its sole discretion.

(d) Payments of Rent, including percentage rent, additional rent, Tax Excess and Operating Costs and any other obligations of Tenant which are not paid on the date due shall, at the option of Landlord, bear interest at the rate equal to the "prime rate" from time to time established by either Fleet Bank, Citizen's Bank or a comparable bank plus two (2%) percent per annum from the due date and shall be compounded monthly.

20. Landlord's Right to Cure. If Tenant shall default in the observance or performance of any term, rule, covenant or condition on its part to be observed or performed under this Lease, Landlord, without being under any obligation to do so and without thereby waiving such default, may remedy such default for the account and at the expense of Tenant, immediately and without notice in case of emergency, or in any other case, if Tenant shall fail to remedy such default with all reasonable diligence within fifteen (15) days and after Landlord shall have notified Tenant of such default. If Landlord makes any expenditures or incurs any obligations for the payment of money in connection therewith, including, but not limited to, attorneys' fees such sums paid or obligations incurred, with interest at the rate of interest set forth in Section 21, shall be paid to Landlord by Tenant as Rent hereunder.

21. Subordination. This Lease is subject and subordinate in all respects to all mortgages and ground leases and other matters of record and to mortgages which may hereafter be placed on or affect this Lease, the Building, the Property or Landlord's interest or, estate therein, and to each advance made or hereafter to be made under any such mortgages, and to all renewals, modifications, consolidations, replacements and extensions thereof and all substitutions therefor. This Section shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall execute and deliver promptly any certificate acknowledging or confirming such subordination that Landlord or any mortgagee or their respective successors in interest may request.

22. Surrender of Possession; Holdover. (a) At the expiration or earlier termination of the Term of this Lease, Tenant will remove Tenant's Property and shall peaceably yield up to Landlord the Premises in the same condition as they were on the Commencement Date, together with the Improvements made pursuant to Section 7 hereof (unless otherwise requested by Landlord pursuant to the provisions of this Lease), except for reasonable wear and tear and damage by fire or other casualty.

(b) If Tenant remains in the Premises beyond the expiration or earlier termination of the term of this Lease such holding over shall not be deemed to create any tenancy, but the Tenant shall be a Tenant-at-Sufferance only and shall pay rent to Landlord at the times and manner determined by Landlord at a daily rate in an amount equal to three times the daily rate of the Rent and other sums payable under this Lease as of the last day of the Term of this Lease.

23. Notices. Any notice or demand by Tenant to Landlord shall be served in hand by constable or by registered or certified mail addressed to Landlord, to the attention of City Manager, at City Hall, Cambridge, Massachusetts, and to Community Development Department, 238 Broadway, Cambridge, Massachusetts, until otherwise directed in writing by Landlord, and any notice or demand by Landlord to Tenant including any notice of default tinder any section of this Lease shall be served by registered or certified mail or in hand by constable addressed to Tenant at the Premises until otherwise directed in writing by Tenant.

24. Rules and Regulations. Tenant will faithfully observe and comply with the Rules and Regulations annexed hereto as Exhibit B and such other and further reasonable Rules and Regulations as Landlord hereafter at any time or from time to time may make and may communicate in writing to Tenant, which in the judgment of Landlord shall be necessary for the reputation, safety, care or appearance of the Building, or the preservation of good order therein, or the operation or maintenance of the Building, or any equipment relating thereto, or the comfort of tenants or others in the Building. If this Lease shall conflict with any such Rules and Regulations, the provisions of this Lease shall control. Landlord shall not have any duty or obligation to enforce the Rules and Regulations or the terms, covenants or conditions in any other lease as against any other tenant and Landlord shall not be liable to Tenant for violation of the same by other tenants, their servants, employees, agents, visitors, invitees or licensees.

25. Quiet Enjoyment. The Tenant, on paying the Rent and other sums payable hereunder and performing the covenants of this Lease on its part to be performed, shall and may peaceably and quietly have, hold and enjoy the Premises for the Term of this Lease.

26. Limitation of Landlord's Liability. The term "Landlord", as used in this Lease, so far as covenants or obligations to be performed by Landlord are concerned, shall be limited to mean and include only the owner or owners at the time in question of the Building, and in the event of any transfer or transfers of title to said Building, the

Landlord herein named (and in case of any subsequent transfers or conveyances, the then grantor) shall be automatically freed and relieved from and after the date of such transfer or conveyance of all liability as respects the performance of any covenants or obligations on the part of the Landlord contained in this Lease thereafter to be performed, it being intended hereby that the covenants and obligations contained in this Lease on the part of Landlord shall, subject as aforesaid, be binding on the Landlord, its successors and assigns, only during and in respect of their respective successive periods of ownership of the Property. Tenant, its successors and assigns, agrees it shall not assert nor seek to enforce any claim for breach of this Lease against any of Landlord's assets other than Landlord's interest in the Building and in the rents, issues and profits thereof, and Tenant agrees to look solely to such interest for the satisfaction of any liability of or claim against Landlord under this Lease, it being specifically agreed that in no event whatsoever shall Landlord (which term shall include, Without limitation, any beneficiary of any trust of which Landlord is a trustee) ever be personally liable for any such liability.

27. Binding Agreement. This Lease shall bind and inure to the benefit of the parties hereto and such respective heirs, representatives, successors or assigns as are permitted by this Lease. This Lease contains the entire agreement of the parties and may not be modified except by an instrument in writing.

28. Notice of Lease. Tenant agrees that it will not record this Lease. Landlord and Tenant shall, upon request of either, execute and deliver a notice of this Lease in such recordable form as may be permitted by applicable statue.

29. Brokerage. Landlord and Tenant each represents and warrants to the other that it has dealt with no broker in connection with this transaction. Tenant agrees to hold harmless and indemnify Landlord from and against any and all cost, expense, or liability for any compensation, commissions and charges claimed by any broker or agent claiming to have dealt with Tenant in connection with this Lease or the negotiation thereof.

30. General Provisions. (a) The various rights and remedies contained in this Lease and reserved to each of the parties shall not be exclusive of any other right or remedy of such party, but shall be construed as cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity, or by statute. No delay or omission of the right to exercise any power by either party shall impair any such right or power, or

shall be construed as a waiver of any default or as acquiescence in any default. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenants, terms or conditions. The consent or approval of either party to or of any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

(b) Payments to Landlord under this Lease are rental for the use of the Premises, and nothing herein contained shall be deemed or construed to make Landlord a partner or associate of Tenant in the conduct of any business, nor as rendering Landlord liable for any debts, liabilities or obligations incurred by Tenant in the conduct of any business, it being expressly agreed that the relationship between the parties is, and shall at all times remain, that of Landlord and tenant.

(c) All amounts payable by Tenant to Landlord under any provision of this Lease, other than pursuant to Section 4, shall be deemed to be additional rental for the use of the Premises, and Landlord shall have the same remedies for the nonpayment of such amounts as for the nonpayment of other rents.

(d) Where the words "Landlord" and "Tenant" are used in this Lease they shall include Landlord and Tenant and shall apply to persons, both men and women, associations, partnerships and corporations, and in reading this Lease the necessary grammatical changes required to make the provisions hereof mean and apply to them shall be made in the same manner as if written into the Lease.

(e) Tenant hereby declares that in entering into this Lease, Tenant relied solely upon the statements contained in this Lease and fully understands that no agents or representatives of Landlord have authority to in any manner change, add to or detract from the terms of this Lease.

(f) The invalidity of one or more of the provisions of this Lease shall not affect the remaining portions of this Lease; and, if any one or more of the provisions of this Lease should be declared invalid by final order, decree or judgment of a court of competent jurisdiction, this Lease shall be construed as if such invalid provisions had not been included in this Lease.

(g) If Tenant shall be two or more persons or entities, each such person or entity shall be jointly and severally liable for the payment of all sums due to Landlord from Tenant under this Lease and the performance of all of Tenant's covenants, agreements, or obligations under this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease in duplicate, the original as a sealed instrument on the day and year first above written.

Tenant: Cathuga, Corp.

By: [signature]

Its President

By: *____________________

Its Treasurer

*See attached letter.

Landlord: City of Cambridge

By: [signature]

Robert W. Healy
City Manager

Approved as to Form:

By: [signature]

Russell B. Higley
City Solicitor

EXHIBIT B

RULES AND REGULATIONS

For the purposes of these Rules and Regulations the word "temporary" shall mean any object which is placed on or near the premises for period of less than forty-eight (48) hours and does not damage the premises, and "permanent" shall mean any object which is placed on or near the premises for a period of more than forty-eight (48) hours or does damage the premises by its attachment or placement to or near the premises.

Tenant shall maintain the right to place any temporary sign or object in the interior of the leased premises without the prior consent of Landlord; however, because the premises are located in an area subject to design review, Landlord may require the removal of any temporary sign or object visible from the exterior of the Premises if it is ojectionable in the Landlord's judgment.

1. The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls of the Building shall not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the premises demised to any tenant or occupant.

2. No awnings or other projections shall be attached to the outside walls or windows of the Building without the prior consent of Landlord. No curtains, blinds, shades, or screens shall be attached or hung in, or used in connection with, any window or door of the premises demised to any tenant or occupant, without the prior consent of Landlord. Any such awnings, projections, curtains, blinds, shades, screens, or other fixtures permitted by Landlord must be of a quality type, design and color, and attached in a manner, previously approved in writing by Landlord.

3. No sign, advertisement, object, notice or other lettering shall be exhibited, inscribed, painted or affixed on any part of the outside or inside of the premises demised to any tenant or occupant or of the Building without the prior written consent of Landlord. Permanent interior signs shall be of a size, color and style approved by Landlord.

4. No show cases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the halls, corridors, vestibules or other parts of the Building, other than the leased premises, without the prior written consent of the Landlord.

5. No trash, garbage, rubbish or other waste shall be accumulated in or around the premises. Tenant shall be solely responsible for the removal of such waste from the premises.

6. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags, or other substances shall be thrown therein.

7. No tenant or occupant shall mark, paint, drill into, or in any way deface any part of the Building or the premises demised to such tenant or occupant. No boring, cutting or stringing of wires shall be permitted, except with the prior consent of the Landlord, and as Landlord may direct.

8. No bicycles, vehicles or animals of any kind shall be brought into or kept in or about the premises demised to any tenant. Bicycles may be stored in racks, if any furnished for such purpose by Landlord in a common area of the Building. No tenant shall cause or permit any unusual or objectionable odors to emanate from the premises demised to such tenant.

9. Without the prior written consent of Landlord, no space in the Building shall be used for manufacturing.

10. No tenant shall make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with other tenants or occupants of the Building or neighboring buildings or premises whether by the use of any musical instrument, radio, television set or other audio device, unmusical noise, whistling, singing, or in any other way. Nothing shall be thrown out of any doors or windows.

11. Each tenant must, upon the termination of its tenancy, restore to Landlord all keys of stores, offices and toilet rooms, either furnished to, or otherwise procured by, such tenant.

12. All removals from the Building, or the carrying in or out of the Building or the premises demised to any tenant, of any safes, freight, furniture, or bulky matter of any description must take place at such time and in such manner as Landlord or its agents may determine, from time to time. Landlord reserves the right to inspect all freight to be brought into the Building and to exclude from the Building all freight which violates any of the Building Rules or the provisions of such tenant's lease.

13. No tenant or occupant shall engage or pay any employees in the Building, except those actually working for such tenant or occupant in the Building, nor advertise for laborers giving an address at the Building.

14. No tenant or occupant shall purchase spring water, ice, food, beverage, lighting maintenance, cleaning towels or other like service, from any company or person not approved by Landlord.

15. Landlord shall have the right to prohibit any advertising by any tenant or occupant which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability as a building for offices, and upon notice from Landlord, such tenant or occupant shall refrain from or discontinue such advertising.

16. Each tenant, before closing and leaving the premises demised to such tenant at any time, shall see that all entrance doors are locked and windows closed.

17. Each tenant shall, at its expense, provide artificial light in the premises demised to such tenant for Landlord's agents, contractors, and employees while performing janitorial or other cleaning services and making repairs or alterations in said premises.

18. No premises shall be used, or permitted to be used, for lodging or sleeping, or for any immoral or illegal purpose.

19. There shall not be used in the Building, either by any tenant or occupant or by their agents or contractors, in the delivery or receipt of merchandise, freight or other matter, any hand trucks or other means of conveyance except those equipped with rubber tires, rubber side guards and such other safeguards as Landlord may require.

20. Canvassing, soliciting and peddling in the Building are prohibited and each tenant and occupant shall cooperate in seeking their prevention.

21. If the premises demised to any tenant become infested with vermin, such tenant, at its sole cost and expense, shall cause its premises to be exterminated from time to time, to the satisfaction of Landlord, and shall employ such exterminators therefore as shall be approved by Landlord.

22. No tenant shall move, or permit to be moved, into or out of the Building or the premises demised to such tenant, any heavy or bulky matter, without the specific approval of Landlord. If any such matter requires special handling, only a person holding a Master Rigger's license shall be employed to perform such special handling. No tenant shall place, or permit to be placed, on any part of the floor or floors of the premises demised to such tenant, a load exceeding the floor load per square foot which such floor was designed to carry and which is allowed by law. Landlord reserves the right to prescribe the weight and position of safes and other heavy matter, which must be placed so as to distribute the weight.

23. The requirements of tenant's parking will be attended to only upon application at the Traffic, Parking and Transportation Department of the City of Cambridge.

24. Tenants shall prevent the wasteful use of utilities within the premises demised to them.

25. Locks to premises shall not be changed or added without permission of the Landlord.

26. The Landlord shall have the right to make such further rules and regulations as it deems necessary.

DONALD J. HUBBARD
ATTORNEY AT LAW

240 PARK STREET, BOSTON, MASSACHUSETTS 02132
TELEPHONE: 617-367-0775 FACSIMILE: 617-469-4815

January 28, 2002

City of Cambridge City Solicitor
795 Massachusetts Avenue
Cambridge, MA 02139
Attn.: Cheryl Anne Watson, Esq.

RE: Poppa and Goose Lease

Dear Attorney Watson:

Enclosed please find a lease executed by my client. I have checked and Chon Vo Dinh is both president and treasurer, so the lease has been executed by the proper party.

I have also enclosed a check to the City in the amount of $2,500.00 for the unpaid Roto-Rooter bill.

I did not receive a copy of the lease, but if you could send a copy signed by all parties, I would be most appreciative. Please contact me with any questions.

Very truly yours,

Donald J. Hubbard

CCM-101

City of Cambridge

Consent Agenda #11A

IN CITY COUNCIL

June 17, 2002

ORDERED: Pursuant to Sec. 2.110.010G of the Cambridge Municipal Code, the City Council hereby approves a diminished process for the execution of a lease by the City Manager to the Poppa and Goose Restaurant for the Poppa and Goose Restaurant to occupy 2,800 square feet of commercial rental space located at 51–69 First Street.

In City Council June 17, 2002.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:- D Margaret Drury

D. Margaret Drury
City Clerk

CCM-101

City of Cambridge

Consent Agenda #11B

IN CITY COUNCIL

June 17, 2002

WHEREAS: The City of Cambridge is the owner of a certain parcel of land with approximately 13,000 square fee of commercial rental space located on First Street and known as the East Cambridge Parking Facility wherein the Poppa & Goose Restaurant occupies the facility pursuant to a lease granted by the City of Cambridge; and

WHEREAS: By occupying its leased space at the East Cambridge Parking Facility, the Poppa & Goose Restaurant has enabled the City to continue to meet the objectives set forth in the City of Cambridge's East Cambridge Revitalization Plan, and Poppa & Goose has successfully operated its business in this location since 1992; and

WHEREAS: The Poppa & Goose Restaurant desires to maintain its business at the East Cambridge Parking Facility; and

WHEREAS: Pursuant to the Municipal Code of the City of Cambridge, Section 2.110.010 which regulates the disposition of City property, a request has been made to approve a renewal of the Poppa & Goose Lease and a request under 2.110.010G has been made to diminish that process; and; now therefore be it:

ORDERED: That the City Council hereby approves and authorizes the City Manager to enter into a lease with the Poppa & Goose Restaurant for an initial term of five years with a renewal option for an additional five year term, on such conditions and terms the City Manager deems necessary and appropriate.

In City Council June 17, 2002.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:- D Margaret Drury

D. Margaret Drury
City Clerk

C. C. 106

City of Cambridge

MASSACHUSETTS

Manager's Agenda #11A

In City Council June 17, 2002

approval of Demunition of Process to Transfer Property pursuant to Sec. 2110.010(6) for execution of lease of property at 51-69 First Street to Poppa + Goose Restaurant

	YEA	NAY	ABSENT	PRESENT
Vice Mayor Henrietta Davis	✓			
Ms. Marjorie Decker	✓			
Mr. Anthony D. Galluccio	✓			
Mr. David P. Maher	✓			
Mr. Brian Murphy	✓			
Mr. Kenneth E. Reeves	✓ B			
Ms. Denise Simmons	✓			
Mr. Timothy J. Toomey, Jr.	✓			
Mayor Michael A. Sullivan	✓			
	9	0	0	0

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council June 17, 2002

Manager's Agenda # 11 B

Authorize the City Manager to execute a lease to Poppa + [illegible] of 2800 sq. ft of space at 51-69 First Street

	YEA	NAY	ABSENT	PRESENT
Vice Mayor Henrietta Davis	✓			
Ms. Marjorie Decker	✓			
Mr. Anthony D. Galluccio	✓			
Mr. David P. Maher	✓			
Mr. Brian Murphy	✓			
Mr. Kenneth E. Reeves	✓			
Ms. Denise Simmons	✓			
Mr. Timothy J. Toomey, Jr.	✓			
Mayor Michael A. Sullivan	✓			
	9	0	0	0

Limiting the scope of review for the requested disposition would be consistent with the expressed objective of the procedure required by the Chapter: to render "a fair analysis of how the greatest public benefit can be obtained from the City property in question." I believe that the information furnished in this letter is sufficient to enable the City Council to make a determination on this matter. Carrying out a more detailed review would require a significant amount of money and staff time. Since the procedure set forth in the Chapter would be costly and the use of this property is one that is consistent with City Council policy and has already been successfully in place for some time, I believe this to be the type of disposition anticipated by subsection (G) which allows for a simpler process; and I therefore request that you approve a diminution of the full disposition review process.

Very truly yours,

Robert W. Healy
City Manager

Description of the Property

The building in which Poppa & Goose leases space is located at 51-69 First Street in the City's East Cambridge Parking Facility. The garage and ancillary retail space was constructed in the mid-1980's, under the authorization of Planning Board Special Permit #29. The Facility is directly across the street from the Galleria Mall. The site is located in a Business A/PUD 4 District.

Description of Lease for Poppa & Goose and Financial Arrangements

The tenant space occupied by Poppa & Goose is a total of 2,800 square feet on the ground floor of the building located at 51-69 First Street. The space includes a bar and kitchen and a dining area.

The City's Request for Proposals dated July 1997 required a minimal rental rate of $10.00 per square foot based on the history of that location with small retail uses, and because due to the large size of this space in relation to that of other tenants and other retail operations in the immediate area, the City might not be able to get the highest rent possible in this area. Smaller retail spaces historically bring higher per square foot rents; however, the City has experienced abandonment and overdue rent problems with some of the other commercial tenants at this location. A couple of smaller retail tenants, such as a flower shop and a deli have failed in this location. Consequently, the City Assessor has estimated the market rent for this property as being $12.00 to $15.00 per square foot.

I am recommending that the City enter into a lease for five years, commencing September 1, 1997, with a five-year optional term of renewal, and that the base rental rate for the first five year term be $10.01 per square foot. In addition for the first five year term, Poppa & Goose will be required to pay operational costs of not less than $2.75 per square foot yearly (totaling $7,700 per year), with an escalation of 24.71% of all operational costs in excess of $7,700 per year to be paid by Poppa & Goose.

In addition, Poppa & Goose will be responsible for all maintenance and repairs to the premises and for maintaining adequate insurance, and for payment of all taxes, water and sewer charge.

The rental rate for the optional five-year renewal term is to be negotiated and mutually agreed upon by the City and Poppa & Goose, and shall be based upon an amount equal to the fair market annual rent for five (5) year leases in comparable retail buildings in comparable areas of the City, with the operating costs to be the total operating costs shown in the most recent available operating escalation statements.

Request for Diminution of Process Stipulated in Chapter 2.110

Chapter 2.110 of the Cambridge Municipal Code on the disposition of city property allows for a diminution of the full process otherwise required by the ordinance if that process would be unduly burdensome. I believe that subsection (G) is appropriate for review of Poppa & Goose's request for this lease, and I thus request that a limited review process be approved.

11.

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager *Richard C. Rossi, Deputy City Manager*

June 17, 2002

To the Honorable, the City Council:

The Cathugia Corporation d/b/a the Poppa & Goose restaurant is requesting the grant of a lease to occupy 2,800 square feet of space in the building at 51-69 First Street, a city-owned building. Poppa & Goose has occupied portions of the ground floor of this facility since 1992. Since 1992 the City's lease of this space to Poppa & Goose for a restaurant business has met the objectives and criteria set forth in the City's East Cambridge Revitalization Plan. The criteria include; 1) commercial and social benefit to the community; 2) capability and experience of group or business entity; and 3) financial and economic feasibility of project. This proposal requires action by the City Council.

First, the proposal must be considered by the Council pursuant to Chapter 2.110 of the Cambridge Municipal Code, which governs the disposition of city-owned property. I believe this disposition may properly be subject to Section 2.110.010 (G) of that ordinance. Section G provides for the disposition of city-owned property where the full process of the ordinance would be unduly burdensome. Under this section, the City Manager may request of the City Council a diminution of the process in the ordinance; approval of this request requires a two-thirds vote of the City Council. I recommend such approval at this time.

Secondly, Section 2.110.010 also requires a two-thirds vote of the City Council to authorize the City Manager to grant the lease to Poppa & Goose. I also recommend that the City Council vote to authorize me to grant the lease to Poppa & Goose and to execute and deliver such lease in form and substance as I determine is necessary or advisable.

Background

In the early 1980's, the City developed and implemented plans to construct the East Cambridge Parking facility that would accommodate approximately 530 cars and 13,000 square feet of commercial rental space on the ground floor level fronting First Street.

In 1992 the City entered into a five-year lease with Poppa & Goose. In 1995, the restaurant received a special permit from the City of Cambridge Board of Zoning Appeal to expand their seating capacity from 30 to 90 seats.

Since 1997, after receiving and accepting Poppa & Goose's proposal to a Request for Proposals advertised by the City, the parties have been in negotiations as to the terms of a new lease to be entered into, and the restaurant has been a Tenant at Sufferance during that time.

H-78

Consent Agenda #11

Cathugia Corporation d/b/a the Poppa & Goose Restaurant request for the granting of a lease to occupy 2,800 square feet of space in the building at 51-69 First Street, a city-owned building.

In City Council June 17, 2002

A. DIMINUTION OF THE PROCESS. 9-0-0.

B. AUTHORIZED DISPOSITION. 9-0-0.

12/6/02 Amendment to lease Filed.