

ADDENDUM TO THE INDIAN LINE FARM LEASE AGREEMENT
between
COMMUNITY LAND TRUST IN THE SOUTHERN BERKSHIRES, INC.
and

The following provisions are hereby made a part of the foregoing Indian Line Farm Lease Agreement between _____ (Lessees) and the Community Land Trust in the Southern Berkshires, Inc. (Land Trust) for the purpose of securing mortgage financing from certain "institutional lenders" as defined further in this document, for improvements of the Lessees which are located on the Leasehold referenced by the agreement.

1. Permitted Mortgage(s)

1.A. For the purpose of this Addendum to the Lease Agreement, a "permitted mortgage" shall be a mortgage, and "permitted mortgages" shall be mortgages:

1.A.a. which shall run in favor of a so-called "institutional lender": such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan associations), and insurance company, a pension and/or profit sharing fund or trust, or any combination of the foregoing, the policies and procedures of which institutional lender are subject to direct governmental supervision, and which is to have a first lien on both Lessees' dwelling unit and on the leasehold created hereby ("Lessees' leasehold estate");

1.A.b. which shall provide among other things, that in the event of a default by Lessees in any of the mortgagor's obligations thereunder, the holder thereof shall notify Land Trust of such fact and Land Trust shall have the rights (but shall not have the obligation) within 30 days after its receipt of such notice, to cure such default in Lessees' name on Lessees behalf, provided that current payments due the holder during 30 day period (or such Land Trust time period as may have been required to cure such default) are made to the holder, and shall further provide that said holder shall not have the right, unless such default shall not have been cured within such time, to accelerate the note secured by such permitted mortgage or to foreclosure under the permitted mortgage on account of such default;

1.A.c. which shall provide, among other things, that in the event the permitted mortgagee intends to accelerate the note secured by such permitted mortgage

or initiate foreclosure proceedings under the permitted mortgage, all in accordance with this Section, the permitted mortgagee shall first notify Land Trust of its intention to do so and Land Trust shall have the right, but not the obligation, upon notifying the permitted mortgagee within thirty (30) days of receipt of said notice from permitted mortgagee, to payoff the indebtedness secured by the permitted mortgage and to acquire Lessees' dwelling unit and Lessees' leasehold estate; and

1.A.d. which shall secure loans the sole and exclusive purpose of which shall be to finance the acquisition of Lessees' dwelling unit and Lessees' leasehold estate.

1.B. Any permitted mortgagee shall have the right, but not the obligation, without requirement of consent by Land Trust to:

1.B.a. Cure any default of Lessees under this lease, and to perform any obligation required of Lessees hereunder, and any such cure or performance by permitted mortgagee shall be effective as if the same had been undertaken and performed by Lessees;

1.B.b. Acquire and convey, assign, transfer to and exercise any right, remedy or privilege granted to Lessees by this lease or otherwise by law, subject other provisions, if any in said mortgage limiting any exercise of any such right, remedy or privilege; and

1.B.c. Rely upon and enforce any provisions of the lease to the extent that such provisions are for the benefit of a permitted mortgagee.

Permitted mortgagee shall not, as a condition to the exercise of its rights hereunder, be required to assume personal liability for the payment and performance of the obligations of Lessees hereunder, and any such payment or performance or other act by permitted mortgagee hereunder shall not be construed as an agreement by permitted mortgagee to assume such personal liability except to the extent permitted mortgagee actually takes possession of the leasehold and dwelling unit after judicial or non-judicial foreclosure of the mortgage; provided, however, in the event that the permitted mortgage transfers the leasehold and dwelling unit to a purchaser (other than permitted mortgagee at any judicial foreclosure sale or trustee's sale of Lessees' interests hereunder) any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the permitted mortgagee shall automatically be released from personal liability thereunder.

In the event that title to the estates of both Lessees and Land Trust shall be acquired at any time by the same person or persons, no merger of said

estates shall occur without prior written declaration of permitted mortgagee, so long as permitted mortgagee owns any interest in the leasehold, in Lessees' dwelling unit, or in said mortgage. In the event that the estate of Land Trust is owned at any time by Lessees (regardless of a merger), or by any person in which Lessees has a direct or indirect interest, permitted mortgagee shall not be obligated to cure any default of Lessees hereunder as condition to the forbearance by Land Trust in the exercise of Land Trust remedies as herein provided. Any default of the lease by Lessees, of which notice is given to Lessees by Land Trust shall also be given, by Land Trust, to the mortgagee of record of such Lessees.

The Land Trust shall have no right to cancel after mortgagee's notice of default and during any continuing default, providing further that permitted mortgagee may extend said 60 day period by an additional 30 day period by giving written notice of same within the said 60 day period.

- 1.C. Any amendments to this lease shall be subject to the written approval of permitted mortgagee, which approval shall not be unreasonably withheld or delayed. The passage of thirty (30) days after submittal to permitted mortgagee of such requested amendments without approval or disapproval by permitted mortgagee shall be deemed approval thereof.
 - 1.D. The provisions set forth in this Clause 1 shall be binding upon and inure to the benefit of the successors, assigns and personal representatives of Land Trust, Lessees and permitted mortgagee.
 - 1.E. Whenever in this Clause 1 notice is to be given to permitted mortgagee, such notice shall be given in the manner set forth for notices, hereinafter provided to the permitted mortgagee at the address given by the permitted mortgagee to Land Trust by written notice to Land Trust sent in the manner set forth for notices hereinafter.
 - 1.F. Lessees shall pay to Land Trust, at Land Trust's option, as additional fees hereunder, all costs and expenses, including, without limitation, reasonable attorney's fees, incurred by Land Trust in connection with any permitted mortgage.
2. In the event of any default in the terms of the lease (as defined in lease section 10 - Termination), written notice of such default shall be given by the Land Trust to the Lessees with a copy to Lessees' mortgagee during such time or term as Lessees have given a mortgage interest of record.

3. In the event of a default by the Lessees, Lessees' mortgagee shall be allowed to do all acts required, to act in Lessees' stead, to cure such default, providing nevertheless that prior to such cure, such mortgagee shall notify Lessees and Land Trust of its intent with regard to the time and manner of effecting such a cure. The right of such mortgagee to so cure shall be in the same manner and method as that required of the Lessees. In the event of a default or a pending default, where an assignment of Lessees' interest to such mortgagee is contemplated, such mortgagee may accept such assignment; providing further that in such event such mortgagee agrees to give notice of same to Land Trust and Land Trust shall have the option to assume same by paying all obligations of the defaulting Lessees.

4. In the event that Lessees' lease is terminated by default which Lessees cannot cure in a reasonable time and manner, such mortgagee shall be entitled to receive a new lease from Land Trust, providing further that the Land Trust, prior to providing a new lease to such mortgagee, shall have reasonable time to effectuate a purchase of the defaulting Lessees' interest and to satisfy the Lessees' obligations to such mortgagee. Sixty (60) days shall be deemed a reasonable time for such purposes; providing further that such purchase shall be the adjusted sale value of the premises (and providing further that in no event shall such purchase be for an amount less than the amount required to satisfy the mortgagee's mortgage principal, interest and costs.) Such mortgagee shall be entitled to continuation or renewal of the Lessees' lease. In the event of (1) Lessees' default and (2) Land Trust's failure to purchase as provided herein or failure to satisfy all claims of the mortgagee, and (3) such mortgagee proceeds under its mortgage with a foreclosure sale, mortgagee shall conduct said sale in accord with the provisions of the General Laws of the Commonwealth of Massachusetts. In the event mortgagee is the purchaser at such foreclosure, mortgagee as such purchaser and owner, shall be free to sell said premises to any purchaser at the best possible price, in its discretion. This provision for foreclosure sale by the mortgagee after exhaustion of rights specified herein for the benefit of the Land Trust, shall apply to all provisions in this lease relating to foreclosure by such mortgagee.

5. Taxes
In the event that the Lessees obtains a mortgage and the mortgagee thereunder requires Lessees to pay taxes to the mortgagee in escrow, Land Trust agrees that Lessees may make such payments to mortgagee, instead of to the Land Trust. Land Trust, upon request of Lessees, agrees to promptly send the applicable tax bill in its possession or copies thereof, to such a mortgagee, provided the mortgagee pays such

taxes directly to the taxing authority in a timely manner. In the event that the mortgagee fails to pay to the taxing authority the applicable taxes when due, Lessees upon demand of Land Trust shall pay such taxes directly to Land Trust.

6. Casualty and Hazard Insurance.

6.A. Lessees at his/her sole expense, shall maintain, or cause to be maintained, homeowner's hazard, casualty and liability insurance. Land Trust shall be named as an additional insured in said policies together with Lessees, and at the election of the Lessees, together with other interested parties. The Lessees' mortgagee, if any, shall be named as an additional insured in the homeowner's hazard insurance policy. Such insurance shall provide comprehensive general public liability insurance with contractual coverage, such insurance to afford protection in minimum limits of liability of not less than \$250,000 for injury (or death) to any one person, and \$500,000 for injury (or death) to more than one person; and \$100,000 with respect to damage to property. Such policy shall also provide insurance against loss or damage to any improvements by fire and any of the risks covered by insurance of the type now known as "fire and extended coverage" which shall contain a "Replacement Cost Endorsement" (covering 100% of the full replacement costs, from time to time of any improvements, exclusive of foundations) and insurance against such other hazards and contingencies as Land Trust shall from time to time reasonably require. The hazard insurance policy may provide, at the election of mortgagee, that in the event of casualty, proceeds from such policy shall be first paid to the permitted mortgagee, as hereinafter defined. Each such policy of insurance required to be carried by Lessees pursuant to this or a certificate thereof, shall be promptly deposited with the Land Trust and with the mortgagee, if any, and in the case of the renewal of such policy, shall be deposited not less than ten (10) days prior to the expiration date of the expiring policy. Such policies shall provide that the same may not be cancelled or coverage reduced without at least thirty (30) days prior written notice to Land Trust and the mortgagee, if any, (but only so long as such thirty (30) day notice period is available from responsible insurance companies doing business in the Commonwealth of Massachusetts; if a shorter notice period is required then the foregoing thirty (30) day period shall be reduced to the shorter period thus required). In addition, if Lessees shall elect not to renew any such policy, Lessees shall send Land Trust and mortgagee any written notice thereof at least thirty (30) days prior to the expiration of such policy, accompanied by copies of the policy or policies which Lessees proposes to substitute therefor.

- 6.B. It is specifically understood and agreed that the Land Trust shall have no responsibility whatsoever with respect to the maintenance of the leasehold or any part thereof except for any damage caused by the fault or neglect of Land Trust, or anyone claiming under Land Trust. Lessees agrees to hold Land Trust harmless and indemnified from and against all claims, demands, expenses and damages whatsoever which may be asserted against Land Trust by reason of any activity, act, omission, neglect or default of Lessees, or any occurrence on or about the leasehold.
- 6.C. In addition to the insurance required to be maintained by Lessees pursuant to the above provisions, Lessees shall maintain, at their expense such other insurance as from time to time shall be required by the holder of any mortgage on the premises and shall deposit each such policy of insurance, or a certificate thereof, promptly with Land Trust, and in the case of the renewal of such policy, Lessees shall deposit such policy, or a certificate thereof, not less than ten (10) days prior to the expiration date of the expiring policy. Each such policy shall name Land Trust as a party insured together with Lessees and, at the election of Lessees, together with other interested parties.
7. In the event of condemnation involving a total taking, Lessees' share of the amount paid on account of such condemnation shall be payable to mortgagee, to the extent only of liability by mortgagor to mortgagee; and in the event of a partial taking, the amount payable shall be applied first to restoration and any excess to the mortgagee. Any condemnation payments paid to Land Trust shall be paid to mortgagee in proportion to the mortgagee's interest in the condemnation proceeds.
8. Land Trust warrants that the leasehold estate interest granted to Lessees is free of any prior mortgage and that any mortgage of record held by Land Trust, shall be released as to Lessees' leasehold estate.
9. Lessees shall have no right to cancel the lease so long as Lessees' mortgage remains outstanding, even in the event that the leased premises are damaged or destroyed. The terms and provisions of the lease shall not be amended during the term of Lessees' mortgage, or during Lessees' holding of the leasehold by Lessees, except as specified herein above. The lease may not be cancelable because of pending foreclosure proceedings, so-long as such proceedings are prosecuted diligently, subject only to the right of the Land Trust to purchase the defaulting Lessees' interest, including satisfaction in the same.

10. Default Clause.

- 10.A.a. If Lessees shall fail to pay the fees or other charges provided for within the lease within fifteen (15) days after Land Trust has sent to Lessees notice of such default and such default is not cured by any permitted mortgagee within thirty (30) days after a subsequent notice from Land Trust to such permitted mortgagee of Land Trust's failure to cure such default within the initial 15-day grace period, or;
- 10.A.b. Lessees shall fail to perform or observe any other term or condition in this lease, and such failure is not cured by Lessees or a permitted mortgagee within thirty (30) days after notice from Land Trust to Lessees and such permitted mortgagee thereof (but in the case where the Land Trust or permitted mortgagee has commenced to cure such default within such thirty (30) day period and continuing such cure with all reasonable due diligence but cannot by the exercise of due diligence cure such default within such period, such period shall be extended for such additional period as may be reasonable under the circumstances), or;
- 10.A.c. If the leasehold estate hereby created shall be taken on execution or by other process of law, or if Lessees shall be judicially declared bankrupt or insolvent according to law, or if any assignment shall be made of the property of Lessees for the benefit of creditors, or if a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of Land Trust's property by a court of competent jurisdiction, or if a petition shall be filed for the reorganization of Lessees under any provisions of the Bankruptcy Act now or hereafter enacted, or if Lessees shall file a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for debtor to settle, satisfy or extend the time for payment of debts (references herein to Lessees shall include any guarantor(s) of Lessees' obligations hereunder), then, and in any of said cases (notwithstanding any license of a former breach of covenant or waiver of the benefit hereof or consent in a former instance), Land Trust may immediately or at any time thereafter initiate summary proceedings and pursuant to such proceedings, without demand or notice, enter into and upon the leasehold or any part thereof in the name of the whole repossess the same as of Land Trust's former leasehold, and expel Lessees and those claiming through or under Lessees and remove its or their effects without being guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of fees or preceding breach of covenants,

and, upon entry as aforesaid Land Trust shall have the right, by suitable notice to Lessees, forthwith to terminate this lease; and Lessees covenants and agrees, notwithstanding any entry or re-entry by Land Trust whether by summary proceedings, termination, or otherwise, to pay and be liable for, on the days originally fixed herein for the payment thereof, amounts equal to the several fees and other charges reserved as they would, under the terms of this lease, become due if this leasehold be re-leased or remain vacant, in whole or in part, or for a period less than the remainder of the term, or for the whole thereof, but, in the event the leasehold be relet by Land Trust, Lessees shall be entitled to a credit in the net amount of fees and other charges received by Land Trust in re-leasing, after deduction of all expenses incurred in re-leasing the site (including, without limitation, leasehold improvement costs, brokerage fee and the like), and in collecting the fees in connection therewith, in the following manner:

Amount received by Land Trust after re-leasing shall first be applied against such Land Trusts expenses, until the same are recovered, and until such recovery, Lessees shall pay, as of each day when a payment would fall due under this lease, the amount which Lessees is obligated to pay under the term of this lease (Lessees' liability prior to any such re-leasing and such recovery not to be diminished in any way as a result of the fact that such re-leasing might be for a fee higher than the fee provided for in this lease); when and if such expenses have been completely recovered, the amounts received from re-leasing by Land Trust as have not previously been applied shall be credited against Lessees' obligations as of each day when payment would fall due under this lease, and only the net amount thereof shall be payable by Lessees. Further, amounts received by Land Trust from such re-leasing for any period shall be credited only against obligations of Lessees allocable to such period, and shall not be credited against obligations of Lessees hereunder accruing subsequent or prior to such period; nor shall any credit of any kind be due for any period after the date when the term of this lease is scheduled to expire according to its terms.

Without limiting any of Land Trust's rights and remedies hereunder, and in addition to all other amounts Lessees is otherwise obligated to pay, it is expressly agreed that Land Trust shall be entitled to recover from the Lessees all costs and expenses, including reasonable attorney's fees, incurred by Land Trust in enforcing this lease from and after Lessees' default.

Notwithstanding anything to the contrary contained herein, if (i) Land Trust shall have sent to Lessees a notice of any failure to pay the fees or other

charges due under the lease, even though the same shall have been cured and this lease not terminated; and (ii) during the same twelve (12) month period in which said notice of default had been sent by Land Trust to Lessees, Lessees thereafter shall default in any such monetary payment, the same shall be deemed to be an event of default upon the Land Trust's giving Lessees written notice thereof, without the fifteen (15) day grace period set forth above.

- 10.B. If the lease shall be terminated for any reason, or in the event of the rejection or disaffirmance of the lease pursuant to bankruptcy law or other law affecting creditors' rights, Land Trust will enter into a new lease of the leasehold with the permitted mortgagee or any party designated by the permitted mortgagee, subject to Land Trust's approval, which approval shall not be reasonably withheld, not less than ten (10) nor more than thirty (30) days after the request of the permitted mortgagee, for the remainder of the term of the lease, effective as of the date of such termination, rejection or disaffirmance, upon all the terms and provisions contained in the lease provided that the permitted mortgagee makes a written request to Land Trust for such new lease within thirty (30) days after the effective date of such termination, rejection or disaffirmance, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the permitted mortgagee or the party designated by the permitted mortgagee to be the Lessees thereunder, and the permitted mortgagee cures all defaults under the lease which can be cured by the payment of money and pays to Land Trust all fees which would at the time of such execution and delivery be due and payable by Lessees under the lease but for such rejection, disaffirmance or termination. Any new lease made pursuant to this clause shall have the same priority with respect to other interests in the site as the lease. The provisions of this clause shall survive the termination, rejection or disaffirmance of the lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by Land Trust, Lessees and the permitted mortgagee and, from the effective date of such termination, rejection or disaffirmance of the lease to the date of execution and delivery of such new lease, the permitted mortgagee may use and enjoy the leasehold estate created by the lease without hindrance by Land Trust.
- If Land Trust shall elect to terminate the lease pursuant to any provision thereof, then the permitted mortgagee shall have the right to postpone and extend the specified date for the termination of the Lease for a period sufficient to enable

the permitted mortgagee or its designee to acquire Lessees' interest in the lease by foreclosure of its mortgage or otherwise.

10.C. Land Trust shall in no event be in default in the performance of any of Land Trust' obligations hereunder unless and until Land Trust shall have failed to perform such obligations within thirty (30) days, or such additional time as is reasonably required to correct any such default, after notice by Lessees to Land Trust properly specifying wherein Land Trust has failed to perform any such obligation.

10.D. During the period a permitted mortgage is in place, the Land Trust shall not accept a voluntary surrender of the lease without the prior written consent of the permitted mortgagee.

11. Miscellaneous Provisions

11.A. Extra Hazardous Use. Lessees covenants and agrees that Lessees will not do or permit anything to be done in or upon the leasehold, or to bring anything or keep anything therein, which shall increase the rate of insurance on the leasehold or on the dwelling unit above the standard rate applicable to a leasehold and dwelling unit being occupied for the use to which Lessees has agreed to devote the leasehold; and Lessees further agrees that, in the event that Lessees shall violate the terms of this paragraph, Lessees will promptly pay to Land Trust, on demand, any such increase resulting therefrom, which shall be due and payable as additional fees hereunder.

Nothing hereinabove stated clause 11.A., shall be construed to create any obligations in the mortgagee for any acts of the Land Trust or Lessees/mortgagor.

11.B. Invalidity of Particular Provisions. If any term or provision of this lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this lease shall be valid and be enforced to the fullest extent permitted by law.

11.C. Notices. Whenever, by the terms of this lease, notice shall or may be given either to Land Trust or to Lessees, such notice shall be in writing and shall be delivered in hand or sent by registered or certified mail, postage prepaid, return receipt requested:

If intended for Land Trust, addressed to Land Trust at

_____ (or to such other address or addresses as may from time to time hereafter be designated by Land Trust by like notice) and a copy to _____. If intended for Lessees, addressed to Lessees at _____ (or to such other address or addresses as may from time to time hereafter be designated by Lessees by like notice). All such notices shall be effective when delivered in hand, or when deposited in the United States mail within the Continental United States provided that the same are received in the ordinary course at the address to which the same were sent.

- 11.D. Protection of permitted mortgagee. This lease shall supersede any mortgage from time to time encumbering the leasehold, whether executed and delivered prior to or subsequent to the date of this lease. Land Trust agrees that it will not execute any mortgage encumbering the leasehold unless (1) there is contained therein a subordination provision in confirmation of the foregoing agreement and (2) Land Trust has obtained the prior written approval of the permitted mortgagee.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals this _____ day of _____.

LESSEE

LESSEE

COMMUNITY LAND TRUST IN THE SOUTHERN BERKSHIRES, INC.

By: _____
President

By: _____
Treasurer

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