PROMPT 4: RENTAL AGREEMENT

1. **Location**. This rental agreement is executable for premises located in New York City.
2. **2. Rental Amount.** The Tenant agrees to pay a monthly rent of $1,200 on or before the 1st of each month. The Landlord reserves the right to increase the rent with at least 6 months’ written notice to the Tenant. Any rental increase shall take effect no sooner than 6 months from the date the Tenant receives written notice of the adjustment. Failure to comply with the adjusted rent amount shall constitute a breach of this Agreement.
3. **Fees for Late Rent**. A late fee will be charged if Rent is not paid on time. Rent paid after the 1st. day of each month will be deemed as late; and if Rent is not paid within 5 days after such due date, Subtenant agrees to pay a set late charge of $50.00.
4. **Option to Extend**. Tenant shall have the option to extend the term of the Lease for one period of one Lease Years (the "Renewal Term") provided that Tenant shall give written notice to Landlord of its desire to exercise its right to the Renewal Term at least ninety days prior to the end of the then current term; failing which the rights of Tenant under this Section shall be null and void and of no further force and effect. During the Renewal Term, the terms of the Lease shall continue in full force and effect, including, that Base Rent shall continue to increase by the Base Rent Escalation. During the Renewal Term, the Premises shall be leased by Tenant "as is,” subject to Landlord’s continuing Lease obligations (such as repair and maintenance).
5. **Lawful Use of Premises**. Tenant agrees not to use the Premises for any purpose that violates any federal, state or local statute, ordinance or regulation that is applicable to Tenant or Tenant’s use and occupancy of the Premises or the business operated therein.
6. **Acceleration Clause.** In the event that Lessee materially breaches any terms of this Agreement—including, but not limited to, non-payment of rent, abandonment, eviction, or significant lease violations—Lessor shall have the right, after providing a 7-day written notice to cure the breach, to accelerate all remaining rents due under this Agreement until the expiration date. Any unpaid balance will accrue interest at a rate of 1.5% per month (18% per year) on balances owed. Lessor reserves the right to pursue any legal steps necessary to collect unpaid funds.