

Press Release

TRIBE SETS RECORD STRAIGHT: GARCIA HAS ONLY SELF TO BLAME

Mr. Garcia's assertions about the Wampanoag Tribe of Gay Head (Aquinnah) (Tribe) and his Lease are ugly, derogatory and just plain false.

The Tribe did negotiate with Mr. Garcia about his rent and about the percentage of his gross sales he pays the Tribe. The amount he pays for his rent was set out in negotiations between the Tribe and Mr. Garcia in 2002 and has not changed by one penny since then. The percentage of gross sales which Mr. Garcia pays to the Tribe was renegotiated in June 2007, and that has not changed since. It appears that Mr. Garcia just does not like the Lease terms to which he agreed.

At no time after 2002 did the Tribe change any term of the Lease or impose additional terms on Mr. Garcia, as he has implied, without his complete agreement. Multiple documents with his signature prove he voluntarily obligated himself to the very rent increases and percentage payments he blames the Tribe for imposing on him. Those documents are attached to this Press Release.

Mr. Garcia has no one to blame but himself for the financial predicament in which he finds himself. Unfortunately, he has now broken his Lease, skipped out on tens of thousands of dollars he owes the Tribe, and dissolved his corporation in order to make it harder for the Tribe to collect the money he owes us.

Given the recent newspaper and radio reports about the closure of Garcia's Deli and the nature of the comments made by its owner, Mr. Paul Garcia, the Wampanoag Tribe of Gay Head (Aquinnah) provides the following facts concerning the Lease between the Tribe and Mr. Garcia, originally negotiated in 2002 and extended in 2007.

In July 2002, the Tribe and Mr. Garcia signed a five-year commercial Lease for "Back Alley's" that included an option for Mr. Garcia to extend his Lease for an additional five years. Typical for a commercial lease, the terms of the Lease provided for both a base rent and additional rent in the form of a percentage of the business' "gross sales." Not only did Mr. Garcia understand in 2002 when he signed the original lease that the additional percentage could be increased to 3.5%, but he also agreed to those terms in July 2007 when he signed the five-year extension of the Lease.

Paragraph 3 of the 2002 Lease addresses the amount of rent Mr. Garcia was obligated to pay if he chose to take advantage of the five-year Lease extension in 2007. That paragraph is titled "**Rent Adjustment**" and it provides in part:

The base rent for year six (6) shall be FIVE THOUSAND AND 00/000 (\$5,000) DOLLARS per month. Thereafter, for years 7-10 rent will be adjusted annually to reflect a five percent increase from the previous year's base rent.

Paragraph 5 of the 2002 Lease addresses the percentage of sales Mr. Garcia would pay the Tribe if he chose to extend the Lease. Paragraph 5 includes a subsection titled “**Option to Extend**” that provides in part:

in the event tenant exercises the within option to extend, such extension shall be on the same terms and conditions as are applicable during the original lease term, provided however, that the minimum guaranteed rent payable hereunder shall be increased to a base rate of FIVE THOUSAND AND 00/000 (\$5,000.00) DOLLARS per month and the additional rent of two percent (2%) of gross sales is to be renegotiated at not less than two percent (2%) nor more than three and a half percent (3.5 %).

In March 2007, a few months prior to the end of his original five-year Lease, Mr. Garcia notified the Tribe of his intent to exercise his option to renew the Lease for an additional five years. The Tribe and Mr. Garcia spent the next three months negotiating the terms of the Lease within the parameters outlined in the original 2002 lease. The percentage of gross sales was increased to 3.5% as provided for in Paragraph 5 of the original 2002 Lease.

On July 11, 2007, Mr. Garcia signed the following agreement negotiated between Mr. Garcia, his attorney, the Tribe and its attorney,

I, Paul Garcia, President of Garcia’s Deli, Inc., hereby agree to an additional rent of 3.5% of gross sales for the term of the extended lease in accordance with Paragraph 5 of my Lease with the Wampanoag Tribe of Gay Head Aquinnah.

The Tribe has no record of a request by Mr. Garcia to renegotiate the terms of his Lease. At no time did Mr. Garcia provide the Tribe with a warning that he was in financial trouble or that he intended to close Garcia’s Deli. He never notified the Tribe that he intended to close his business, remove everything from the premises overnight and within days dissolve the corporation under which the Deli operated. The closing of Garcia’s Deli was a sudden and unexpected occurrence for the Tribe; it was not something we wanted or anticipated.

Despite the unfortunate circumstances surrounding the vacancy of the store, the Tribe looks forward to working with the community in finding ways to make that space a productive and welcoming part of the community once again.

FOR ADDITIONAL INFORMATION CONTACT:

DOUGLAS LUCKERMAN (781) 861-6535 or (617) 794-9495
Counsel for the Wampanoag Tribe of Gay Head (Aquinnah)