SHOPPING CENTER RETAIL LEASE STANDARD LEASE

by and between

FRESHWAY LAWNDALE ERCA, LP, a Delaware limited partnership, and BRIGETTE LLC, a Delaware limited liability company

("LANDLORD")

and

OMBUDSMAN EDUCATIONAL SERVICES, LTD., an Illinois corporation

("TENANT")

Address of Premises: Lawndale Plaza; 3210-3222 W. Roosevelt Road, Chicago, IL 60624

SHOPPING CENTER RETAIL LEASE

PREAMBLE

THIS SHOPPING CENTER RETAIL LEASE ("Lease") is dated May 2, 2024 ("Effective Date") by and between FRESHWAY LAWNDALE ERCA, LP, a Delaware limited partnership, and BRIGETTE LLC, a Delaware limited liability company (collectively, "Landlord") and OMBUDSMAN EDUCATIONAL SERVICES, LTD., an Illinois corporation ("Tenant").

ARTICLE I **FUNDAMENTAL LEASE PROVISIONS**

1.1 Definitions. For purposes of this Lease, the following terms shall have the following meanings:

Premises or the "Leased

The Premises is 3210-3222 W. Roosevelt Road, Chicago,

Premises": (Article II)

IL 60624, as shown in Exhibit "A"

Building:

That certain building containing the Premises

Center or Shopping Center:

(Article II)

That certain shopping center known as Lawndale Plaza, as

shown in Exhibit "A"

Lease Term: (Section 3.1)

Fifteen (15) years from the Rent Commencement Date. The "Rent Commencement Date" is the earlier of (a) Tenant

opening for business in the Premises, and (b) August 1,

2024.

Commencement Date:

(Article III)

The date on which Landlord: (i) notifies Tenant in writing that Landlord has delivered possession of the Premises to Tenant and (ii) delivers exclusive possession of the Premises to Tenant in Adequate Initial Condition (defined below). Landlord covenants that the Commencement Date will occur on or before May 9, 2024. Tenant shall be entitled to a credit against Tenant's obligation to pay Minimum Rent on a day-for-day basis for each day of delay of the

Commencement Date after May 9, 2024.

Approximately 6,042 SF, regardless of variations in actual **Square Footage of Premises:**

square footage.

Options:

Addendum No. 1 Renewal Option

(Addenda)

Minimum Annual Rent:

(Section 4.1)

Commencing on the Rent Commencement Date, Minimum Annual Rent is as follows:

<u>Month</u>	Monthly Payments of Minimum Annual Rent
4.40	¢40,070,00
1-12	\$10,070.00
13-24	\$10,372.10
25-36	\$10,683.26
37-48	\$11,003.76
49-60	\$11,333.87
61-72	\$11,673.89
73-84	\$12,024.11
85-96	\$12,384.83
97-108	\$12,756.37
109-120	\$13,139.07
121-132	\$13,533.24
133-144	\$13,939.24
145-156	\$14,357.41
157-168	\$14,788.13
169-180	\$15,231.78
First Renewal Option	
(if exercised)	
181-192	\$15,688.73
Second Renewal Option	
(if exercised)	
193-204	\$16,159.39

Use of Premises: (Article VI)

Educational facility, subject to certain Prohibited Uses described in Article VI (the "**Permitted Use**")

Address for Notices:

(Article XXV)

To Landlord: 4683 Chabot Drive Ste 220

Pleasanton, CA 94588 Attn: Allan Chandler

With a copy to: Derek A. Ridgway, Esq.

Rimon P.C.

423 Washington Street, Suite 600

San Francisco, CA 94111

To Tenant: The Premises

With a copy to:

Ombudsman Educational Services, Ltd. 1321 Murfreesboro Pike, Suite 702 Nashville, Tennessee 37217

Attn: Anthony Stefani, SVP email: astefani@chancelight.com

with a copy to (not constituting notice)

KOHR ROYER GRIFFITH, INC.

Paul Bloomfield A 1480 Dublin Rd. Columbus, OH 43215

email: pbloomfield@kgre.com

Prepaid Rent: None

(Section 4.4)

Security Deposit: None.

(Section 4.3)

1.2 EXHIBITS/ADDENDA. The following drawings, documents and provisions are attached hereto as Exhibits and/or Addenda, and are incorporated herein by reference:

Addendum No. 1: Renewal Option

Exhibit "A": General site plan of the Center / Premises

Exhibit "B": Subordination Provisions for Standard Form of Commercial Lease

Exhibit "C": Construction Obligations

Exhibit "D": Declaration

Exhibit "E": Form of Tenant's Certificate

Exhibit "F": Sign Criteria Exhibit "G": SNDA

Exhibit "H": Outlot Plan Exhibit "I": CAM exclusions

ARTICLE II PREMISES

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises, which Premises are situated within the Center as delineated in Exhibit "A". This Lease is subject to the terms, covenants and conditions herein set forth, and all conditions, covenants and restrictions of record, and Tenant covenants as a material part of the consideration of this Lease to keep and perform each and all of such terms, covenants and conditions to be kept and performed by it.

SPECIAL LEASE CONTINGENCY: This Lease is contingent upon: (a) Tenant obtaining all licenses, agreements, permits, approvals, variances, waivers and other relief (collectively, "Permits"), including but not limited to building and/or use and occupancy permits, necessary or required from any and all applicable state, county, regional and municipal governments and/or governmental bodies, quasi-judicial bodies, outside agencies or any other governmental authority having jurisdiction over the use of the Premises, in order for Tenant to lawfully use the Leased Premises for the Permitted Use, and all applicable appeal periods with respect to such Permits have expired without any appeal thereto having been taken or if taken, such appeals have been resolved without affecting the applicable approval; and (b) receiving an occupancy permit from the local municipal authority (all such Permits, licenses, rezoning, certifications, contracts and permits being hereinafter collectively referred to as "Approvals"). Tenant shall promptly apply for all such Approvals within 30 days upon receipt of an executed duplicate original of this Lease from Landlord and diligently prosecute the same. If Tenant is unable to obtain all such Approvals on or before the earlier of (x) the date that is 90 days from the date of this Lease, and (y) the Rent Commencement Date, and notifies Landlord of the same before such date, this Lease shall be null and void, and the Security Deposit (if any) shall be returned to Tenant, with time being of the essence. Otherwise, this Lease shall remain in full force and effect. Landlord shall reasonably cooperate with Tenant in obtaining all Approvals, including executing any and all reasonable documents, applications or consent forms required, if applicable, at no cost to Landlord.

SPECIAL EARLY TERMINATION RIGHT: After June 1, 2026, Tenant may terminate this Lease early, effective on July 31st of such year, at any time during the Lease Term (including during any renewal) by giving notice on or before June 30th of such year, accompanied by reasonable proof that Tenant's contract with the local school district will not be renewed, or that the local school district is reducing the number of students referred to Tenant for off site instruction (instruction at a site not located on property owned or leased by the local school district) by at least fifty percent (50%). If terminated prior to July 31, 2029, prior to the effective date of termination, Tenant shall pay to Landlord two (2) months of Minimum Annual Rent and the unamortized portion of Tenant brokers' commissions paid by Landlord in connection with this Lease. If the lease is terminated after July 31, 2029, there shall be no termination fee.

ARTICLE III TERM

3.1 Commencement of Term. The Lease Term shall commence as of the Commencement Date and shall continue thereafter for the period of the Lease Term set forth in Section 1.1 above, unless sooner terminated as hereinafter provided. Tenant is in possession of the Premises and accepts the Premises in its AS IS, WHERE IS condition, without any express or implied representations or warranties by Landlord; provided, however, Landlord shall deliver the Premises to Tenant on the Commencement Date in broom clean condition, with all personal

property removed. (ii) with all Building Systems and Building Structure (each as defined below) in good working order ("Adequate Initial Condition"). Tenant shall be entitled to inspect the Premises: (i) for a thirty (30) day period following the Commencement Date. To Landlord's actual knowledge, as of the Commencement Date, the Premises, the Building and the property including, without limitation the Building Systems and Building Structure, meet and comply in all material respects with the federal, state, and local laws, ordinances and regulations and all handicapped accessibility standards, including without limitation, those promulgated under the Americans With Disabilities Act ("ADA") that are in effect and enforced prior to the Commencement Date (collectively, "Laws"). In no event shall Tenant be responsible for any deficiencies, improvements or alterations to the Common Area or any portion thereof in order to comply with Laws, unless the same arise out of Tenant's acts or omissions or Tenant's improvements to the Premises. "Lease Year" shall mean the twelve (12) consecutive calendar months commencing with the first day of the first full calendar month of the Lease Term, and thereafter with each succeeding anniversary thereof. This Lease and the tenancy hereby created shall cease and terminate at the end of the Term hereof without the necessity of any notice from either the Landlord or the Tenant to terminate the same. As used herein, "Building Systems" shall mean: (i) heating, ventilation, and airconditioning (HVAC) systems and equipment, (ii) plumbing (toilets, drains, and sinks), (iii) electrical (panels, outlets, switches, and lighting), and (iv) utility lines (e.g., gas lines, electrical wiring, water lines, and sewer lines wherever located). "Building Structure" shall mean: (i) the Building's walls, roof and roof membrane, subfloor, foundation, and footers.

3.2 Tenant's Work. Tenant shall commence and complete Tenant's Work with all due diligence as set forth in <u>Exhibit "C"</u> and shall equip the Premises with all trade fixtures and personal property suitable or appropriate for the regular and normal operation of the type of business in which Tenant is engaged. Tenant further agrees to open for business as soon as possible following the Commencement Date.

ARTICLE IV RENT

- 4.1 Minimum Annual Rent. Tenant agrees to pay to Landlord, at the times and in the manner herein provided, the Minimum Annual Rent specified in Section 1.1 above. Minimum Annual Rent shall be payable in advance in monthly installments on the first day of each calendar month commencing upon the Rent Commencement Date as provided in Section 1.1 above. Concurrently with the mutual execution and delivery of this Lease, Tenant shall pay to Landlord the Prepaid Rent set forth in Section 1.1 hereof (to be applied to the first month following the Rent Commencement Date), and the first monthly installment of charges accruing under Article V (estimated to be \$10.90PSF) (to be applied to the first month following the Rent Commencement Date). If the Rent Commencement Date falls on a day of the month other than the first day of such month, the rental for the first fractional month shall accrue on a daily basis for the period from the date of such commencement to the end of such fractional calendar month at a rate equal to 1/30th of the monthly installment of Minimum Annual Rent per day. All other payments required to be made under the terms of this Lease which require proration on a time basis shall be prorated on the same daily basis. Minimum Annual Rent and all other sums of money required to be paid by Tenant under the Lease shall be paid to Landlord, without abatement, deduction or offset, in lawful money of the United States of America, at the office of the Landlord as contained in Section 1.1 hereof or to such other person or at such other place as Landlord may from time to time designate pursuant to <u>Section 25.1</u> hereof.
- **4.2 Security Deposit.** Concurrently with Tenant's execution of this Lease, Tenant has deposited with Landlord the Security Deposit set forth in <u>Section 1.1</u> hereof. The Security Deposit

shall be held by Landlord as security for the faithful performance by Tenant of all the terms. covenants, and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provision of this Lease including, but not limited to, any provision relating to the payment of rent, or any other charges due under this Lease, Landlord may (but shall not be required to), upon a three (3) business day notice to Tenant and opportunity to cure, use, retain and apply all or any part of the Security Deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer as a result of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit with Landlord an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall constitute a material default under this Lease. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall fully and faithfully perform every provision of this Lease, the Security Deposit, or any balance thereof, shall be returned to Tenant within sixty (60) days following the expiration of the Lease Term or vacation of the Premises by Tenant, whichever event occurs last, in accordance with the provisions of the State Property Code (for the avoidance of doubt, Landlord shall not be entitled to retain, and the Security Deposit shall be returned to Tenant to the extent the Security Deposit exceeds Landlord's actual damages for any breach of this Lease by Tenant). In the event of a termination of Landlord's interest in this Lease, the Security Deposit, or any portion thereof not previously applied, shall be released by Landlord to Landlord's transferee, and Tenant agrees to look solely to such transferee for proper application of the Security Deposit in accordance with the terms of this Section 4.3 and the return thereof in accordance herewith.

ARTICLE V COMMON AREA EXPENSES, PREMISES MAINTENANCE OBLIGATIONS, TAXES AND INSURANCE

5.1 Common Area Expenses.

- **A.** The expenses incurred by Landlord in connection with the operation, maintenance, repair and replacement of the common areas (collectively the "**common area expenses**") shall be apportioned among the various tenants of the Center, and Tenant hereby agrees to pay to Landlord a share of such common area expenses which shall be computed by multiplying the total of such expenses by a fraction, the numerator of which shall be the gross leasable floor area of the Premises and the denominator of which shall be the total gross leasable floor area of the Center owned by Landlord ("**Pro Rata Share**"). The gross leasable floor area of the Premises and the gross leasable floor area of the Center shall be determined by Landlord in any reasonable manner. The term "common areas" is defined in <u>Section 17.1</u>. Notwithstanding anything to the contrary, the common area expenses shall not include, and Tenant shall not be obligated to reimburse Landlord for: (i) the costs and expenses listed on Exhibit "I" or (ii) any costs or expenses incurred or arising out of any period prior to the Commencement Date.
- **B.** Commencing on the Rent Commencement Date and thereafter on the first (1st) day of each calendar month through the end of the Lease Term, Tenant shall pay to Landlord one-twelfth (1/12) of an amount estimated by Landlord to be Tenant's Pro Rata Share of such total annual common area expenses for the calendar year during which such month occurs. Landlord may adjust the common area expenses and/or Tenant's Pro Rata Share charged to Tenant at the end of any month on the basis of Landlord's experience and reasonably anticipated costs to ensure that Tenant's total estimated monthly payments for such calendar year will equal

Landlord's then current estimate of Tenant's share of the common area expenses for such calendar year.

- C. The common area expenses to be prorated to and paid by Tenant shall include, but are not limited to, all sums expended in connection with the operation, management, maintenance, repair, restoration and/or insuring of the common areas and the Building, and those charges set forth in any recorded covenants, conditions and restrictions affecting the Center, including without limitation, resurfacing, painting, restriping, cleaning, sweeping and janitorial services: all costs to supervise and administer the common areas, including labor, payroll, and taxes; maintenance, repair and replacement of sidewalks, curbs and other hardscape, sprinkler systems (including backflow testing of sprinkler systems), planting and landscaping and Center signs, including without limitation pylon and monument signs; common area costs chargeable to the Center in accordance with recorded covenants, conditions or restrictions; snow and ice removal; roof and Building repairs, lighting and other utility expenses, including, without limitation, gas, water and sewer, electricity and trash removal, except to the extent trash removal is separately billed to Center occupants; maintenance, repair and replacement of any common area fire protection systems, directional signs and other markers and bumpers, lighting fixtures and systems, storm drainage systems, irrigation systems and any other common utility systems serving the common area or serving more than one store unit within the Center; repair, maintenance and replacement of common mechanical equipment, leasing or installation, maintenance, repair and replacement of all security systems (including testing of alarm systems) and trash compactors or other similar devices (provided that Landlord shall not be liable for any failure to provide security guards or devices); personnel to implement such service including, if Landlord deems necessary, the cost of security guards or devices, real and personal property taxes and governmental fees or assessments of any kind or nature on the facilities, improvements and land comprising the common areas, including without limitation any parking charges, utility surcharges, regulatory fees or any other costs levied, assessment or imposed by, or at the direction of, or resulting from statutes or regulations promulgated by any governmental authority in connection with the parking facilities in the Center and costs to comply with any traffic management and/or energy conservation programs applicable to the Center; rental paid for machinery and equipment; premiums for public liability, property damage, fire and extended coverage insurance (including "Earthquake Insurance" and "Flood Insurance," if Landlord or Landlord's lender or ground lessor deems such insurance to be necessary or desirable) together with insurance against sprinkler damage, vandalism and malicious mischief, and any other insurance carried by Landlord on the common areas (which may be in such forms and provide for such coverages and include such deductibles as Landlord may from time to time deem reasonable or appropriate for the Center); all real property management fees, including such fees payable to Landlord or its affiliates if Landlord or its affiliates render real property management services to the Center; and reasonable charges to establish reserves for anticipated and/or unanticipated common area expenses. In the event Landlord shall negotiate and/or contest any tax or assessment affecting the Center, the expenses involved in such negotiation and/or contest shall be part of the common area expenses, if such negotiation and/or contest affects or relates to taxes to be paid by Tenant under Section 5.3 hereof or as common area expenses. Permitted Capital Depreciation (defined on Exhibit I) shall not be expensed in the year incurred, but shall be amortized according to Exhibit I. In the event of conflict between this Section and Exhibit I, Exhibit I shall prevail.
- **5.2 Exclusions.** Notwithstanding anything in the Lease to the contrary, common area expenses expressly exclude the following: mortgage interest; expenditures for land acquisition; depreciation of the original costs of constructing the Center; the cost of any capital improvements made to the common areas; costs directly related to leasable space and not for the overall benefit

of tenants within the Center, or expenses incurred directly on behalf of or for any individual tenant: salaries and/or wages for persons above the level of property manager; costs directly related to the gross negligence of Landlord or its employees; contributions to charities; registration fees and travel expenses related to seminars, conventions and the like incurred by Landlord's employees or agents; any fines, costs, late charges, liquidated damages, penalties, tax penalties, or related interest charges imposed on Landlord or Landlord's managing agent as a result of any delays in payment made by Landlord; any reserves for bad debt of any kind; expenses in connection with services or other benefits which are provided directly and exclusively to another tenant or occupant of the Shopping Center and that do not benefit Tenant; expenses for repairs, replacements, and general maintenance of portions of the Shopping Center which are paid by proceeds of insurance or by Tenant or other third parties; alterations attributable solely to tenants of the Shopping Center other than Tenant; interest, amortization, or other payments on loans made to Landlord, whether secured or unsecured, secured loan amortization and interest, costs relating to acquiring or negotiating equity contributions, costs and charges incurred in obtaining any public or private financing, refinancing, or loan modifications; depreciation of the Building and the Shopping Center; leasing commissions; ground rent and related costs in connection with any ground lease encumbering the Building or the Shopping Center; negotiation and execution of leases of space in the Shopping Center, including without limitation, promotional and advertising expenses, commissions, finders' fees, referral fees, legal fees and expenses relating to the negotiation and preparation of any lease, sublease, or other occupancy document, tenant improvement costs for tenant or other occupant space, the amount of any allowances or credits paid or granted to tenants or other occupants of any such design or construction, and all other costs of alterations of space in the Shopping Center leased to or occupied by other tenants or occupants; any amount paid by Landlord or Landlord's managing agent to a subsidiary or affiliate of Landlord or Landlord's managing agent, or to any party for management or other services to the Building or the Shopping Center, or for supplies or other materials, in each case to the extent the costs of such services, supplies, or materials exceed the costs that would have been paid had the services, supplies, or materials been provided by parties unaffiliated with Landlord or Landlord's managing agent on an arm's-length basis; and general corporate overhead for Landlord or any cost or expense set forth on Exhibit I. In the event of conflict between this Section and Exhibit I, Exhibit I shall prevail.

- **5.3 Taxes**. Commencing upon the Rent Commencement Date and thereafter on the first (1st) day of each calendar month through the end of the Lease Term, Tenant shall pay to Landlord one-twelfth (1/12) of amounts estimated by Landlord to be Tenant's proportionate share (as further defined in <u>Section 5.4</u> hereof) of real property taxes allocable to the Premises for the calendar year during which such month occurs. Real property taxes shall include all real property taxes levied with respect to any tax fiscal year applicable to the period commencing on the Rent Commencement Date and ending on the expiration or termination of the Lease Term, which are allocable to the Premises as provided herein. Tenant's share of real property taxes payable pursuant to <u>Section 5.1</u> hereinabove may also be treated as real property taxes pursuant to this Section, but in such event shall not be included in common area expenses.
- **5.4 Definition of Real Property Taxes.** As used herein, the term "real property taxes" shall include general and special real property and improvement taxes for the Center, any form of assessment, re-assessment, license fee, license tax, business license tax, commercial rental tax, in lieu tax, levy, charge, penalty or similar imposition whatsoever or at all, imposed by any authority having the direct power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, drainage or other improvement or special assessment district thereof, or any agency or public body, as against any legal or equitable interest in the Premises and/or the Center including, but not limited to: (a) any tax on Landlord's

rent, right to rent or other income from the Premises or as against Landlord's business of leasing the Premises; (b) any assessment, tax, fee, levy or charge in addition to, or in partial or total substitution of any assessment, tax, fee, levy or charge previously included within the definition of real property tax; (c) any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises or the rent payable hereunder including, but not limited to, any margin tax or gross income or receipts tax with respect to the receipt of such rent, or upon or concerning the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy of the Premises, or any portion thereof, by Tenant; and (d) any assessment or reassessment related to any change of ownership of any interest in the Center or portion thereof held by Landlord, or any addition or improvement to the Center or a portion thereof. Real property taxes shall not include Landlord's federal or state net income, franchise, gift, inheritance or estate taxes or any tax set forth on Exhibit I. With respect to any assessment which may be levied against or upon the Premises and which under the laws then in force may be evidenced by improvement or other bonds, or may be paid in annual installments, there shall be included within the definition of real property taxes, with respect to any tax fiscal year, only the amount currently payable on such bonds, including interest, for such tax fiscal year, or the current annual installment or semi-annual installments for such tax fiscal year.

- Allocation of Real Property Taxes. In the event that the Premises and/or the 5.5 common area are not separately assessed but are a part of a larger parcel or parcels for tax assessment purposes, Landlord shall prorate the real property taxes levied or assessed against either the Center or any smaller tax parcel in which the Premises and/or the Center are situated, at Landlord's reasonable discretion, to the Premises and/or the common area in any reasonable manner. With respect to the Premises, an allocation based upon a proration or information obtained from the County Assessor, or upon construction costs, or an allocation based upon the ratio that the gross leasable square footage floor area of the Premises bears to the total gross leasable square footage floor area within the relevant tax parcel or parcels, as to that portion of such tax or assessment allocable to improvements, and based on the ratio between the gross leasable square footage floor area of the Premises to the number of square feet of land area covered by the relevant tax statement or statements, as to that portion of such tax or assessment allocable to the land, exclusive of improvements, or any combination thereof, shall be deemed to be a reasonable allocation for the purposes of this Section. An equitable adjustment shall be made for floor area which is only partially completed on the date that such real property taxes become a lien.
- **5.6 Insurance.** Commencing upon the Rent Commencement Date, and thereafter on the first (1st) day of each calendar month through the end of the Lease Term, Tenant shall pay to Landlord one-twelfth (1/12th) of the amounts estimated by Landlord to be Tenant's proportionate share (as further defined in <u>Section 5.6</u> hereof) of insurance expenses allocable to the Premises for the calendar year during which such month occurs.
- **5.7 Insurance Allocation.** Tenant's proportionate share of the costs of Landlord's insurance on the Premises shall be a fraction, the numerator of which shall be the rentable square footage floor area of the Premises and the denominator of which shall be the rentable square footage area of the Center owned by Landlord and of any other buildings with which the Premises are insured.
- **5.8 Annual Statement.** Within one hundred twenty (120) days following the end of each calendar year, Landlord shall furnish Tenant a statement covering the calendar year just expired showing the total expenses of any sort pursuant to this Article for the preceding calendar year, the amount of Tenant's share of the expenses set forth in this <u>Article V</u>, and the payments

made by Tenant with respect to such expenses for such calendar year. If Tenant's share of such expenses exceeds Tenant's payments so made, Tenant shall pay Landlord the deficiency within thirty (30) days after receipt of Landlord's statement. If Tenant's payments exceed Tenant's share of such expenses, Tenant shall be entitled to credit the excess against payments for such expenses next thereafter to become due Landlord as set forth herein (or, if such credit exceeds amounts owed to Landlord, reimbursed to Tenant in thirty (30) days). Failure of Tenant to pay any of the charges required by this Article when due shall constitute a material default under the terms of this Lease. Within fifteen (15) days after Landlord's receipt of Tenant's written request therefor, Landlord shall furnish to Tenant such supporting documentation with respect to such expenses as Tenant may reasonably request. Landlord's reasonable costs of copying and providing such supporting documentation, however, shall be paid by Tenant to Landlord, upon demand. Any such request relating to such expenses for any calendar year shall be made within thirty (30) days of Tenant's receipt of such statement for such calendar year and shall specify the particular line items as to which supporting documents are requested and the type of supporting documents requested. Tenant shall be entitled to retain on a non-contingency basis an independent company (which Landlord reasonably considers to be reputable and professional) or an independent Certified Public Accountant to audit and/or review Landlord's records relating to such expenses for the two (2) calendar year period immediately preceding the calendar year during which such audit or review occurs. Any such audit or review shall be conducted in Landlord's offices upon not less than ten (10) business days' prior written notice to Landlord during normal business hours of normal business days, and shall be maintained in confidence by Tenant and its auditor and reviewer. In no event may more than one (1) such review or audit be conducted within any one (1) calendar year period.

- **5.9** Additional Rent. Tenant shall pay to Landlord when due all sums of money required to be paid pursuant to this Article, and any and all other sums of money or charges required to be paid by Tenant under this Lease, as additional rent, whether or not the same is designated as additional rent.
- **5.10** Cap on Controllable Expenses. Notwithstanding the provisions of this Article V, Landlord agrees that the amount of Controllable Expenses (as defined below) shall not increase from year to year by more than five percent (5%) on a cumulative and compounding basis from the previous year. The Controllable Expenses for the first Lease Year shall not exceed \$3.41 per rentable square foot. "Controllable Expenses" shall mean all "common area expenses" except for expenses which are not subject to Landlord's reasonable control, including, without limitation, the cost and expense of snow removal/salting, security, real estate taxes, insurance and utilities.

ARTICLE VI PERMISSIBLE USE

6.1 Permitted Uses.

- **A.** Tenant shall use the Premises solely for the purpose specified in <u>Section 1.1</u> hereof and in accordance with the Declaration (defined in <u>Exhibit "D"</u>) and Tenant shall not use or permit the Premises to be used for any other purpose or purposes.
- **B.** Tenant further covenants and agrees that it will not use, nor suffer or permit any person or persons to use the Premises or any part thereof for any use or purpose in violation of the laws of the United States of America, the State of Illinois, or the ordinances, regulations or requirements of the local, municipal or county governing bodies or any other lawful governmental or guasi-governmental authorities having jurisdiction over the Center. Tenant shall, at its sole

cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force relating to or affecting the condition, use or occupancy of the Premises, including without limitation making alterations and/or additions to the Premises.

- C. Tenant agrees not to conduct or operate its business in any manner which could jeopardize or increase the rate of any fire or other insurance on the Premises or Center or to engage in conduct which may constitute a nuisance to, or interfere with, the other property of Landlord or its business, or the property or business of other tenants of the Center. Tenant may not display or sell merchandise, or allow carts, portable signs, devices or any other objects to be stored or to remain outside the defined exterior walls or roof or permanent doorways of the Premises, or in the hallways. Any sign placed or erected by Tenant and permitted hereunder shall be kept by Tenant safe, secure and in conformance with the requirements of the local governing body having jurisdiction over the Center and each of the restrictions and requirements set forth in Exhibit "F" hereof. No aerial or antenna shall be erected on the roof or exterior walls of the Premises without, in each instance, the prior written consent of Landlord. In addition, Tenant agrees that it will not solicit in any manner in any of the automobile parking and common areas of the Center.
- **D.** Tenant shall use its commercially reasonable efforts to complete or cause to be completed all deliveries, loading, unloading and services to the Premises prior to 10:00 A.M. of each day, and to prevent delivery trucks or other vehicles servicing the Premises from parking or standing in service areas for undue periods of time. Landlord reserves the right to further reasonably regulate the activities of Tenant in regard to deliveries and servicing of the Premises, and Tenant agrees to abide by such further reasonable rules and regulations which Landlord may impose from time to time. Notwithstanding the foregoing, Chicago City Schools has permission from Landlord to travel via school bus at the Center for the purpose of picking up and dropping off students.

ARTICLE VII UTILITIES

- **7.1 Payment of Utility Cost.** Tenant agrees, at its own expense, to pay for all water, power, gas and electric current and all other utilities used by Tenant on or from the Premises from and after the Rent Commencement Date. All utility meters required for Tenant's use of the Premises shall be provided at Landlord's sole cost and expense. In the event that any utilities are furnished to the Premises by Landlord, whether sub-metered or otherwise, then and in that event, Tenant shall pay its prorata share to Landlord for such utilities, but the rates charged to Tenant by Landlord shall not exceed those of the public utility company furnishing same to Landlord as if its services were being furnished directly to Tenant.
- **7.2 No Liability.** Except to the extent caused by Landlord's gross negligence or willful misconduct, Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to terminate this Lease or withhold any rent or any other sums due under the terms of this Lease. Landlord agrees to use its best efforts to restore or to cause to be restored any utilities which have been interrupted.

ARTICLE VIII INDEMNITY AND INSURANCE

- 8.1 Indemnification and Waiver. Tenant agrees that Landlord shall not be liable for any damage or liability of any kind, or for any injury to or death of persons, or damage to property of Tenant or any other person after the Commencement Date, from any cause whatsoever, resulting from the use, occupation or enjoyment of the Premises or the operation of business therein or therefrom by Tenant or any person holding under Tenant or by Tenant's agents, contractors, employees, or invitees (but not Landlord's gross negligence or willful misconduct). To the fullest extent permitted by law, Tenant hereby further agrees to defend, indemnify and save harmless Landlord from all such liability whatsoever including, without limitation, liability for any real or claimed damage or injury and from all liens, claims, demands, liabilities and/or obligations arising out of Tenant's use of the Premises and its facilities or the conduct of Tenant's business, any repairs or alterations which Tenant may make upon the Premises and any claims of any employee of Tenant against Landlord. Tenant shall further indemnify and hold harmless Landlord against and from any and all liens, claims, demands, liabilities and/or obligations arising from any breach or default in the performance of any obligations on Tenant's part to be performed under the terms of the Lease, or arising from any act, neglect, fault or omission of Tenant, or its agents, contractors, employees, or invitees or from any release of Hazardous Materials by Tenant as provided in Section 30.17 below and from and against all costs, reasonable attorneys' fees, expenses and liabilities incurred in or about such claim or any action or proceeding brought thereon; and in case of any action or proceeding brought against Landlord, shall defend the same at Tenant's expense by legal counsel reasonably approved in writing by Landlord. The foregoing obligations of Tenant to indemnify shall not apply for damage or injury ultimately determined by a court of competent jurisdiction to the extent occasioned by the gross negligence, fraud, or willful misconduct of Landlord and its designated agents, servants or employees, unless the same is covered by insurance Tenant is required to provide. The foregoing obligation of Tenant to indemnify shall include all reasonable costs of legal counsel and investigation, together with other costs, expenses and liabilities incurred in connection with any and all claims of damage. Landlord shall protect, defend, indemnify and hold Tenant, its agents, employees and contractors harmless from and against any and all claims, damages, demands, penalties, costs, liabilities, losses and expenses (including reasonable attorneys' fees and expenses at the trial and appellate levels) to the extent arising out of or relating to the gross negligence or willful misconduct of Landlord or Landlord's agents or employees or contractors.
- **8.2 Tenant's Insurance Obligation.** Tenant further covenants and agrees that it will procure, carry and maintain from the Commencement Date until the expiration of the Lease Term, at Tenant's sole cost and expense, the following types of insurance in the amounts and forms hereinafter specified:
- A. Liability Insurance. Tenant shall at all times maintain in effect a policy or policies of commercial general liability insurance and property damage insurance with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000.00) aggregate limit insuring against any and all liability of the insured with respect to the Premises or arising out of the maintenance, condition, use or occupancy thereof, and property damage. All commercial general liability insurance shall specifically insure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property contained in <u>Section 8.1</u> hereof. Such policies shall include, without limitation, coverage for personal injury, product liability, contractual liability, owner's protective, broad form property damage, liquor liability (if applicable) and owned and non-owned automobile liability; and

fire, explosion and water damage. Limits shall also be satisfied with a combination of General Liability an Umbrella.

- **B. Plate Glass.** Tenant shall be responsible for the maintenance of the plate glass on the Premises, which shall obligate Tenant to be personally liable for any claim, loss or damage related thereto, together with the cost of the repair of same. Tenant's responsibility for maintenance of the plate glass includes its replacement in the event repair of the glass would not restore the glass to its original condition at the time of installation.
- C. **Improvements.** Tenant shall at all times maintain in effect property insurance covering all improvements to the Premises, except for the "shell" improvements defined in Section 16.1 below which are to be insured by Landlord under Section 8.6 below. The improvements to be insured by Tenant's insurance shall include, without limitation, all of Tenant's leasehold improvements, any leasehold improvements included within the Premises and leased by Landlord to Tenant and alterations or additions permitted under Article IX hereof, together with Tenant's trade furniture, fixtures, equipment, merchandise, signs and all personal property from time to time in, on or upon the Premises. Such insurance shall be in an amount not less than one hundred percent (100%) of the full replacement cost, without depreciation, of such improvements and shall provide protection against any peril included within the classifications of "Special Causes of Loss." Any such insurance policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article XVI hereof, whereupon any proceeds of insurance, except proceeds for damages to Tenant's trade fixtures, merchandise and personal property, shall be payable to Landlord. Insurance coverage called for hereunder shall also provide for business income loss in an amount to provide for one (1) year's rent and other charges payable hereunder, payable to the Landlord if the Premises are destroyed or rendered inaccessible by a risk insured against. Any deductible provided in such insurance shall not exceed \$5,000 per occurrence without written approval from Landlord.
- **D. Workers' Compensation.** Tenant shall carry Workers' Compensation insurance for all Tenant's employees as required by law, together with Employers Liability coverage with a limit of not less than \$500,000.
- Policy Requirements. All policies of insurance to be provided by Tenant 8.3 hereunder shall be issued by insurance companies with a general policy holder's rating of not less than A and a financial rating of not less than Class VII as rated in the most current available Best's Insurance Reports and who are qualified to do business in the state where the Center is located. All such policies shall name Landlord and Landlord's property manager as additional insureds and loss payee, and if requested by Landlord, any mortgagee or trust deed beneficiary of Landlord shall be named as the beneficiary under a standard mortgagee's loss payable endorsement and any lessor of Landlord shall be named as an additional insured and/or loss payee, as Landlord may direct; which policies shall be for the mutual and joint benefit and protection of Landlord, Tenant, Landlord's mortgagees or trust deed beneficiaries, and/or Landlord's lessor. Executed copies of such policies of insurance or original certificates thereof including required endorsement specified below shall be delivered to Landlord and to any other parties designated by Landlord on or prior to Tenant's entry into the Premises and thereafter at least thirty (30) days prior to the expiration of the term of each such policy. All commercial general liability insurance policies shall contain (a) an endorsement allocating to the Premises the full amount of liability limits required by this Lease: (b) a provision that coverage must be on an "occurrence basis": (c) a provision or endorsement that Landlord, although named as an additional insured, shall nevertheless be entitled to recovery under such policies for any loss occasioned to it, its servants, agents, or

employees by reason of any act or omission of Tenant or its servants, agents, employees, invitees or contractors; (d) a provision or endorsement that the liability policies will be written as primary policies, not contributing with and not in excess of coverage which Landlord may carry. In no event shall the then required limits of liability of any policy be considered as limiting the liability of the Tenant under this Lease; (e) a provision or endorsement that the company writing such policy will give to Landlord and the holders of other certificates of such insurance at least ten (10) days' notice in writing any cancellation or lapse or the effective date of any reduction in the amount of or other material change of insurance. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant pursuant to the terms of this Article VIII.

- **8.4 Increase in Coverage.** In the event Landlord or any Landlord's lessor or any mortgagee or trust deed beneficiary of Landlord reasonably deems it necessary to increase the amounts or limits of insurance required to be carried by Tenant hereunder, Landlord may reasonably increase such amounts or limits of insurance, and Tenant shall increase the amounts or limits of the insurance required to be carried by Tenant hereunder and shall provide Landlord and any parties designated by Landlord with policies or original certificates indicating the increased amounts or limits as provided in <u>Section 8.3</u> hereof.
- **8.5 Blanket Coverage.** Tenant's obligations to carry insurance provided for in this Article may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Tenant; provided, however, that Landlord, any mortgagee or trust deed beneficiary of Landlord, and Landlord's lessor, if any, shall be named as an additional insured, loss payee and/or beneficiary under a standard mortgagee's loss payable clause thereunder, as designated by Landlord, as their respective interests may appear, and that the coverage afforded Landlord will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that the requirements set forth herein are otherwise satisfied. Tenant agrees to permit Landlord at all reasonable times to inspect the policies of insurance of Tenant covering risks upon the Premises to the extent that such policies have not been delivered to Landlord.
- Landlord's Insurance Obligations. Landlord shall maintain in effect a policy or 8.6 policies of insurance covering the "shell" of the Premises (as defined in Section 16.1 below), either alone or with other buildings in the Center (or other buildings in the vicinity of the Center that are owned by Landlord or an affiliate of Landlord) (note: the shell of the Premises excludes Tenant's leasehold improvements, alterations or additions permitted under Article IX hereof, Tenant's trade fixtures, merchandise and other personal property and any leasehold improvements constituting a part of the Premises and leased to Tenant by Landlord), in an amount of not less than eighty percent (80%) of its full replacement cost (excluding excavations, foundations and footings) during the Lease Term, providing protection against any peril generally included within the classifications of "Special Causes of Loss" (and "Earthquake Insurance" and "Flood Insurance" if Landlord or its lender deems such insurance to be necessary or desirable), together with insurance against sprinkler damage, vandalism and malicious mischief and such further endorsements and/or coverages as Landlord or Landlord's lender deems necessary or desirable. Landlord's obligation to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Landlord, provided that the coverage afforded will not be reduced or diminished by reason of the use of such blanket policy of insurance.
- **8.7 Insurance Use Restrictions.** Tenant shall comply with the requirements and regulations of any insurance carrier providing insurance for the Premises or the Center of which

Tenant has actual written notice. Tenant agrees that it will not at any time carry any stock of goods or do or permit anything to be done in or about the Premises which will in any way increase the insurance rates upon the building of which the Premises are a part or upon any other improvements in the Center, provided that this clause shall not prohibit Tenant from using (and Tenant shall have the right to use) the Premises for the Permitted Use. Tenant agrees to pay to Landlord forthwith upon demand the amount of any increase in premiums for insurance against loss by fire or any other peril normally covered by fire and extended coverage insurance that may be charged during the Lease Term on the amount of insurance to be carried by Landlord on the Center, or any portion thereof, resulting from the foregoing or from Tenant doing any act in or about the Premises which does so increase the insurance rates, whether or not Landlord shall have consented to such act on the part of Tenant. If Tenant installs upon the Premises any electrical equipment which constitutes an overload on the electrical lines of the Premises, Tenant shall at its own expense make whatever changes or provide whatever equipment safeguards are necessary to comply with the requirement of the insurance underwriters and any governmental authority having jurisdiction thereover, but nothing herein contained shall be deemed to constitute Landlord's consent to such overloading.

8.8 Waiver of Claims and Subrogation. Landlord and Tenant hereby waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises, its contents, the Building, or to the other portions of the Center, arising from any risk covered by special form (formerly all risk) coverage insurance which the parties carry or are required to carry under this Lease provided that such waiver does not invalidate such policies or prohibit recovery thereunder. The parties hereto each, on behalf of their respective insurance companies insuring the property of either Landlord or Tenant against any such loss, waive any right of subrogation that such insurer or insurers may have against Landlord or Tenant, as the case may be. Each party shall obtain a waiver of subrogation from its insurers.

ARTICLE IX TENANT'S ALTERATIONS

- **9.1 Permitted Alterations.** Landlord agrees that Tenant may, from time to time, at Tenant's sole cost and expense and after giving Landlord at least thirty (30) days' prior written notice of its intention to do so, make such alterations, additions and changes in and to the Premises (except those of a structural nature, or that are visible from the Common Area) as Tenant may find necessary or convenient, provided that the value of the Premises is not thereby diminished. In no event shall Tenant make any alterations, additions or changes to the storefront, or the exterior walls, or areas external to the Premises, or that affect or change the exterior appearance of the Premises, unless and until the written consent of Landlord shall first have been obtained, which consent may be withheld in Landlord's sole and absolute discretion. Tenant shall not make or cause to be made any penetration through the roof or demising walls of the Premises without the prior written consent of Landlord. Landlord hereby consents to Tenant making the improvements described on Exhibit C and C-1.
- **9.2 Manner of Construction.** All alterations, additions, or changes to be made to the Premises that require the prior written consent of Landlord under <u>Section 9.1</u> above, as well as the work to be performed by Tenant pursuant to <u>Exhibit "C"</u> hereto (a "**major alteration**"), shall be under the supervision of a licensed architect or licensed structural engineer approved by Landlord and shall be made in accordance with plans and specifications with respect thereto, approved in writing by Landlord before the commencement of work. Failure of Landlord to disapprove any such plans and specifications within fifteen (15) days of submission shall be

deemed its approval of same. All work with respect to any alterations, additions or changes must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. Upon completion of any major alteration. Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County in which the Premises is located. Major alterations or any portion or part of any major alterations, at Landlord's option, shall be removed by Tenant, at Tenant's sole cost and expense, at the expiration or termination of this Lease, provided that, notwithstanding anything to the contrary, Tenant shall not have any obligation to remove the Tenant's Work specified on Exhibit C-1. Such option shall be exercised by Landlord, if at all, not less than thirty (30) days prior to the expiration of the Lease Term or within twenty (20) days of any earlier termination of this Lease. If Landlord elects to cause Tenant to remove all or any portion of the major alterations, Tenant shall repair any damages to the Premises resulting from such removal, as a part of such work. Subject to the foregoing, all improvements to the Premises by Tenant including, but not limited to, light fixtures, floor coverings and partitions, and other items comprising Tenant's Work pursuant to Exhibit "C", but excluding trade fixtures and signs, shall become the property of Landlord upon installation thereof. All materials used in any alterations or changes to the Premises, including without limitation the work to be performed by Tenant under Exhibit "C" hereof shall be new or like new quality and condition. Any such alterations, additions or changes shall be performed and done strictly in accordance with the laws and ordinances relating thereto. In performing the work of any such alterations, additions or changes, Tenant shall have the work performed in such manner as not to obstruct the access to the premises of any other occupant to the Center. Tenant shall furnish Landlord with a copy of all applicable construction permits and plans for major alterations including, without limitation, the work to be performed by Tenant under Exhibit "C" hereof, so that Landlord may hold in its file a complete and accurate set of permits and plans for all major alterations to the Premises, including all work performed by Tenant under Exhibit "C" hereof.

9.3 Construction Insurance. Tenant agrees to carry "Builder's All Risk" insurance in an appropriate amount covering the construction of all major alterations including, without limitation, all work to be performed by Tenant under Exhibit "C" hereof, and such other insurance as Landlord may reasonably require; it being understood and agreed that all such work shall be insured by Tenant pursuant to Section 8.2 immediately upon completion thereof.

ARTICLE X MECHANICS' LIENS

- 10.1 Tenant's Lien Obligations. Tenant agrees that it will pay, or cause to be paid, all costs for work done by it on the Premises and that it will keep the Premises and the other portions of the Center and Tenant's leasehold estate in and to the Premises free and clear of all mechanics' liens and other liens for or arising from work done or alleged to have been done by or for Tenant or for persons claiming under it. Tenant agrees to and shall indemnify and save Landlord free and harmless from and against any and all claims, demands, liability, loss, damage, costs, reasonable attorneys' fees, and all other expenses on account of claims of contractors, subcontractors, laborers, materialmen or others for work performed or alleged to have been performed for, or materials or supplies furnished or alleged to have been furnished to Tenant or persons claiming under it.
- **10.2 Notice.** Should any claim of lien be filed against the Premises or any other portion of the Center or Tenant's leasehold estate in and to the Premises or any action affecting the title to such property be commenced arising out of any work performed or alleged to have been

performed by or under Tenant, Tenant shall forthwith give Landlord written notice thereof, and shall remove or bond around such lien within 30 days of filing.

ARTICLE XI SIGNS

- 11.1 Generally. Except for a sign not to exceed 144 square inches which shall identify hours of operation and (at Tenant's option) emergency telephone numbers, Tenant shall not affix or maintain upon the glass panes or supports of the show windows, or within sixty (60) inches of any window or upon the doors, roof or exterior walls of the Premises, any signs, advertising placards, names, insignia, trademarks, descriptive material or any other similar item or items except those approved in writing in advance by Landlord as to the size, design, type, color, location, copy, nature and display qualities of such item. All signs erected by Tenant shall comply with Landlord's requirement and the Declaration. In addition, no advertising medium shall be utilized by Tenant the sound or effect of which extends beyond the Premises including, without limitation, flashing lights, searchlights, loudspeakers, phonographs, radios or televisions. Tenant shall not display, paint or place or cause to be displayed, painted or placed, any handbills, bumper stickers or other advertising devices on any vehicle parked in the parking area or structure of the Building, whether belonging to Tenant or to Tenant's agents or to any other person; nor shall Tenant distribute, or cause to be distributed, in the Center any handbill or other advertising devices. In the event Tenant shall violate any provision of this Article XI, Tenant hereby grants to Landlord the right to enter the Premises and correct such violation at Tenant's sole cost and expense. If any such violation shall occur in the common areas, Landlord shall have the immediate right to cure such violation, which right shall include, without limitation, removal of any and all unapproved signage.
- **11.2 Affirmative Obligation.** Notwithstanding anything within the foregoing to the contrary, it shall be an affirmative obligation for Tenant to install a building-standard canopy and/or under canopy signs which identifies Tenant by the name under which it operates prior to the Rent Commencement Date. Tenant shall also maintain said signs in good condition and repair and free from casualty or other damage throughout the term of this Lease.
- 11.3 Pylon Signage. Tenant shall be allotted one (1) space on the Pylon sign for the Building, and Tenant shall thereafter, at Tenant's sole cost and expense, install, maintain and remove at the expiration or earlier termination of the Lease, a panel on the Pylon containing its logo, in compliance with the provisions of this Article XI.
- **11.4 General**. All signage shall be installed and maintained in good repair at Tenant's sole cost and expense and subject to Tenant's receipt of applicable permits therefor. Tenant agrees to indemnify and hold Landlord harmless from any and all claims arising out of Tenant's installation, use and/or maintenance of its signage.

ARTICLE XII TRADE FIXTURES AND PERSONAL PROPERTY

12.1 Ownership. Any trade fixtures, signs and other personal property of Tenant not permanently affixed to the Premises shall remain the property of Tenant, and Landlord agrees that Tenant shall have the right, provided Tenant is not in default under the terms of the Lease, at any time, and from time to time, to remove any and all of its trade fixtures, signs and other personal property which it may have stored or installed in the Premises including, but not limited to, counters, shelving, showcases, mirrors and other movable personal property. Nothing

contained in this Article shall be deemed or construed to permit or allow Tenant to remove any personal property without the immediate replacement thereof with similar personal property of comparable or better quality, so as to render the Premises unsuitable for conducting the type of business described in <u>Section 1.1</u> of the Preamble (Use of Premises). Tenant, at its expense, agrees to promptly repair any damage occasioned to the Premises by reason of the removal of any such trade fixtures, signs, and other personal property.

- **12.2 Removal.** If Tenant fails to remove any of its trade fixtures, furniture, signage and other personal property upon expiration or the sooner termination of this Lease as provided (at Landlord's option) in <u>Section 9.2</u> hereof, Landlord may remove same from the Premises and dispose of all or any portion of such property, in which latter event Tenant shall, upon demand, pay to Landlord the actual expense of such removal and disposition together with the cost of repair of any and all damage to the Premises resulting from or caused by such removal.
- 12.3 Personal Property Tax. Tenant shall pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation, as well as upon its trade fixtures, merchandise and other personal property in or upon the Premises. In the event any such items of property are assessed with property of Landlord, such assessment shall be divided between Landlord and Tenant to the end that Tenant shall pay only its equitable portion of such assessment as conclusively determined by Landlord. No taxes, assessments, fees or charges referred to in this paragraph shall be considered as real property taxes.

ARTICLE XIII ASSIGNMENT, SUBLEASE AND OTHER TRANSFERS

13.1 Restrictions.

- A. Landlord and Tenant agree that the Center consists of an interdependent group of retail enterprises and that the realization of the benefits of this Lease, both to Landlord and Tenant, is dependent upon Tenant's creating and maintaining a successful and profitable retail operation in the Premises. Landlord and Tenant further agree that the "tenant mix" of the Center is also vital to the realization of the benefits of this Lease, both to Landlord and Tenant. Accordingly, Tenant shall not transfer, assign, sublet, mortgage or otherwise hypothecate or encumber this Lease, or Tenant's interest in and to the Premises, nor enter into any license, concession or other occupancy agreement with respect to the Premises, without in each instance procuring the prior written consent of Landlord. Any such action (hereinafter collectively a "Transfer") without Landlord's prior written consent shall be void and of no force and effect, shall not confer any interest or estate in the purported transferee, and shall constitute an incurable breach and default of this Lease by Tenant.
- **B.** The consent of Landlord required hereunder to any proposed assignment or sublease shall not be unreasonably withheld, provided, however, that Landlord and Tenant agree that it shall not be unreasonable for Landlord to withhold its consent to any proposed assignment or sublease for any commercially-reasonable reason, including, but not limited to:
 - (i) A conflict between the contemplated use of the Premises by the proposed assignee or sublessee with the use permitted by <u>Article VI</u> hereof;
 - (ii) The financial worth and/or financial stability of the assignee or sublessee is less than that of the Tenant hereunder at the commencement of the Lease

Term or not reasonably suitable to Landlord in Landlord's sole discretion so as to insure the ability of the assignee to perform Tenant's obligations under the Lease for the full Lease Term or the ability of the sublessee to perform its obligations under the proposed Sublease for the full term of the Sublease;

- (iii) The assignee's or sublessee's reputation or proposed use of the Premises could have an adverse effect upon the reputation of the Center and/or the any other business located in the Center; or
- (iv) The assignment or sublease would breach any covenant of or effecting Landlord concerning radius, location, use or exclusivity in any other lease, financing agreement, or other agreement relating to the Center.
- 13.2 **Procedure for Transfer.** Should Tenant desire to make a Transfer hereunder. Tenant shall, in each instance, give prior written notice of its intention to do so to Landlord, specifying in such notice the type of Transfer, the proposed date thereof, and specifically identifying the proposed assignee, sublessee or other transferee. Such notice shall be accompanied, in the case of an assignment, sublease, license, concession or other occupancy agreement, by a copy of the proposed assignment, sublease, license, concession or other occupancy agreement. Tenant shall also provide Landlord with such reasonable financial and other information concerning a proposed assignee or subtenant as Landlord may request within fifteen (15) days of Landlord's receipt of Tenant's notice of intent concerning the proposed assignment or sublease, including without limitation current and audited financial statements for the proposed assignee. Additionally, Tenant shall provide evidence that the proposed transferee is in good standing in the State of Illinois and its state of organization, and that the transaction has been duly authorized by the governing bodies of Tenant and the proposed transferee. Landlord, within twenty (20) days after its receipt of both such notice of proposed Transfer from Tenant and its receipt of the above-described documents, and in the case of an assignment or sublease, such reasonable financial and other information as Landlord may have requested within fifteen (15) days of its receipt of the notice of the proposed assignment or sublease, by mailing notice to Tenant of its intention to do so, shall (a) withhold consent to the Transfer pursuant to Section 13.1(B); or (b) consent to such Transfer, in which event Tenant may be required to pay fifty percent (50%) of its net profits from the Transfer to Landlord as provided in Section 13.6 below; or (c) Intentionally Omitted. No Transfer of this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any Guarantor of this Lease from liability under this Lease.
- 13.3 Permitted Transfers. Notwithstanding anything to the contrary contained above, with twenty (20) days advance written notice, but without the consent of Landlord, Tenant may assign the Lease or sublease the Premises to (a) any parent, wholly-owned subsidiary, or other company of which Tenant owns all or substantially all of the voting and beneficial interests, or which company owns all or substantially all of the voting and beneficial interests in Tenant; or (b) any surviving or successor entity resulting from a merger, consolidation, or sale of substantially all of the assets of Tenant; provided, however, in each case in subsection 13.3 (a)-(b), the transferee has a net worth equal to or greater than Tenant's net worth as of the date of assignment or sublease. The transfers described in this second paragraph of Section 13.3 shall be referred to as "Permitted Transfers". Soon after such Permitted Transfer, Tenant shall provide Landlord with documentation verifying that such transferee is subject to the qualifications of this Section.
- **13.4** Required Documents. Each assignment to which Landlord has consented shall be evidenced by a written instrument, the form and content of which is reasonably satisfactory to

Landlord, executed by Tenant and the assignee under which the assignee shall agree in writing for the benefit of Landlord to perform and to abide by all of the terms, covenants and conditions of this Lease to be done, kept and performed by Tenant. Tenant agrees to reimburse Landlord for Landlord's reasonable attorneys' and administrative fees incurred in connection with the processing of an documentation for each proposed Transfer (other than a Permitted Transfer), whether or not the Transfer is consummated, and whether or not such Transfer is a Permitted Transfer, in the amount of One Thousand Dollars (\$1,000) per Transfer, plus Landlord's reasonable attorneys' fees and costs incurred in connection with such Transfer. Landlord's consent or approval to any Transfer shall not be construed as a waiver of the requirement that Landlord's consent or approval be obtained to all subsequent Transfers.

- **13.5 Merger and Consolidation.** The transfer, assignment or hypothecation of Tenant's stock shall not be deemed a "Transfer" within the meaning and provisions of this Article and shall not require Landlord's prior written consent.
- 13.6 Transfer Profits. In the event that Landlord grants its consent to any assignment or sublease to which such consent is required by this Lease (an "Assignment" or a "Sublease"), fifty percent (50%) of any "Net Profits" received by Tenant as a result of such Assignment or Sublease, whether or not denominated rentals under the Assignment or the Sublease or under any other agreements, shall be payable to Landlord without affecting or reducing any other obligation of Tenant hereunder. Notwithstanding anything to the contrary, "Net Profits" shall not include any amounts paid as consideration for Tenant's business and shall be strictly limited to amounts paid as consideration for Tenant's leasehold interest in the Premises.

13.7 Bankruptcy.

- **A.** If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, 11 U.S.C. Section 101 et. seq. (the "**Bankruptcy Code**"), any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord, and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord's property under this <u>Section 13.7</u> not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and be promptly paid or delivered to Landlord.
- **B.** Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment, including the obligation to operate the business which Tenant is required to operate pursuant to <u>Section 1.1</u> and the Preamble hereof.

ARTICLE XIV OPERATION OF TENANT'S BUSINESS

14.1 Continuous Operation. Tenant covenants and agrees that it will operate and conduct within the Premises, continuously and uninterruptedly during the Lease Term, the business which it is required to operate and conduct under the provisions hereof; provided that this provision shall not apply if the Premises should be closed and the business of Tenant temporarily discontinued therein on account of strikes, lockouts or similar causes beyond the reasonable control of Tenant or closed for not more than three (3) days out of respect to the memory of any deceased officer or employee of Tenant, or the relative of any such officer or

employee. Tenant shall maintain within and upon the Premises an adequate stock of merchandise and trade fixtures and have sufficient personnel to service and supply the demands and requirements of its customers. Landlord and Tenant agree that if Tenant shall fail to continuously and uninterruptedly operate the business which it is required to operate under the terms of this Lease, monetary damages will be inadequate to compensate the Landlord. Landlord and Tenant agree that injunctive relief shall be appropriate in the event of the failure on the part of Tenant to continuously operate. Tenant agrees that it will keep the Premises in a neat, clean and orderly condition and that all trash and rubbish generated by it shall be deposited within prescribed receptacles in designated service areas within the Center. Notwithstanding anything to the contrary, Landlord acknowledges that Tenant shall maintain its hours of operation at the Leased Premises in compliance with its contract with the referring local school district ("School Hours"). Such hours may differ from those of other retail tenants in the building being leased by Landlord and may require that the Leased Premises be closed during periods of school breaks and vacations ("Regular Breaks"). Notwithstanding anything to the contrary, Tenant shall not be in breach of this Lease if Tenant ceases operations at the Premises during Regular Breaks.

- **14.1 Operating Hours.** Commencing with the opening for business by Tenant in the Premises, and for the remainder of the Lease Term, Tenant shall remain open for business during School Hours.
- **14.2 Quiet Enjoyment.** Upon Tenant paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the Lease Term, free of interference by Landlord or those lawfully claiming by or under Landlord, subject, however, to all of the provisions of this Lease, to matters of record and to all applicable governmental laws, rules and/or regulations. To Landlord's knowledge, no matters of record prohibit use of the Premises for the Permitted Use.

ARTICLE XV REPAIRS AND MAINTENANCE

Tenant's Maintenance Obligations. Subject to Landlord's covenant to deliver the Premises in Adequate Initial Condition and the provisions of Section 3.1, from and after the Commencement Date, Tenant shall be deemed to have accepted the Premises as being in good, sanitary order, condition and repair. Tenant agrees at all times during the Term, and at its own cost and expense, to repair and maintain, and replace when necessary, all interior portions of the Premises and all exterior doors and windows, and equipment and other systems serving the Premises, in good and tenantable condition, and all items of repair, maintenance and improvement or reconstruction as may at any time or from time to time be required with respect to the Premises by any governmental agency having jurisdiction, but excluding the Building Structure. Notwithstanding anything to the contrary, Tenant shall have no obligation to perform any replacements or improvements that would constitute a capital expense under GAAP except to the extent the need for such replacement arises out of Tenant's negligence or willful misconduct or with respect to HVAC repair and replacement obligations, which shall be governed by Section 15.5. Tenant shall also be responsible for all utility lines to the extent located: (i) inside the exterior vertical boundary of the Premises and (ii) above the foundation of the Premises but not further or otherwise. All glass, both exterior and interior, shall be maintained at Tenant's sole cost and expense, and any glass broken shall be promptly replaced by Tenant with glass of the same kind, size and quality within five (5) business days following the occurrence of the breakage. In the event that Tenant fails to complete said replacement within said five (5) business day period, Landlord shall have the right to do so upon three (3) business days advance written notice to Tenant, and Tenant shall reimburse Landlord all costs incurred by Landlord to replace said glass,

upon demand, as provided in <u>Section 18.4</u> below. Tenant shall also sweep and maintain in a neat and sightly condition the sidewalks adjacent to the Premises and any exterior trash enclosure provided for Tenant's use and periodically service and maintain and repair any grease interceptors for the Premises. In the event of conflict between this Section and Section 16.1, Section 16.1 shall prevail.

- 15.2 Landlord's Maintenance Obligations. Subject to the foregoing paragraph, Landlord shall keep and maintain in good and tenantable condition and repair and replace as necessary the Building Structure and pipes and conduits outside or below the Premises used to furnish to the Premises various utilities (except to the extent that the same are the obligation of the appropriate public utility company). Landlord shall also periodically perform customary tests of the Building's fire sprinkler system and repair same to the extent Landlord has actual knowledge that such repairs are required, such repairs to be performed within a reasonable period of time following Landlord's receipt of such knowledge. Notwithstanding the foregoing, Landlord shall not be required to make any repairs necessitated by reason of the negligence or willful misconduct of Tenant, its servants, agents, employees or contractors, or anyone claiming under Tenant, or by reason of the failure of Tenant to perform or observe any conditions or agreements in this Lease contained, or caused by alterations, additions or improvements made by Tenant or anyone claiming under Tenant. Anything to the contrary notwithstanding contained in this Lease, Landlord shall not be liable to Tenant for failure to make repairs as herein specifically required of it unless Tenant has previously notified Landlord, in writing, of the need for such repairs and Landlord has failed to commence and complete said repairs within a reasonable period of time following receipt of Tenant's written notification.
- **15.3 Definition of Exterior Walls.** As used in this Article, the expression "exterior walls" shall not be deemed to include storefront or storefronts, plate glass, window cases, or window frames, doors or door frames, security grilles or similar enclosures. It is understood and agreed that Landlord shall be under no obligation to make any repairs, alterations, renewals, replacements or improvements to or upon the Premises or the mechanical equipment exclusively serving the Premises at any time except as otherwise provided in this Lease.
- **15.4 Grant of License.** Tenant hereby grants to Landlord such licenses and/or easements in, over, and under the Premises or any portion thereof as shall be reasonably required for the installation or maintenance of mains, conduits, shafts, pipes or other facilities to serve any other portion of the Center including, but not by way of limitation, the premises of any other occupant of the Center; provided, however, that Landlord shall pay for any alteration required on or to the Premises as a result of any such exercise, occupancy under or enjoyment of any such license or easement and provided, further, that no exercise, occupancy under or enjoyment of such license or easement shall result in any unreasonable or permanent interference with Tenant's use, occupancy or enjoyment of the Premises as contemplated by this Lease.

15.5 Heating and Air Conditioning Equipment.

A. Tenant shall keep in good order and repair, including any damage caused by any act, negligence or omission of Tenant, or vandalism by third parties, all heating and air conditioning equipment for the Premises. Tenant shall pay all costs and expenses incurred in connection with the maintenance and operation (but not replacement, which shall be governed under Section 15.5(C))of all heating and air conditioning equipment for the Premises from and after the Commencement Date through the end of the Lease Term. Tenant shall obtain a service contract for the maintenance and repair of the heating and air conditioning equipment for the Premises contract with a heating and air conditioning maintenance firm reasonably acceptable to

Landlord (the "HVAC Maintenance Contract") and Tenant shall be required at all times to maintain with the Landlord a current copy of such contract. At any time during the Lease Term, Landlord may elect to obtain a service contract for the maintenance and repair of the heating and air conditioning equipment for the Premises, that also covers the maintenance and repair of hearing and air conditioning equipment in other portions of the Building and/or other buildings in the Center, and in such event Landlord may require Tenant to pay its pro rata share of the costs of such service contract based on the gross leasable square footage floor area of the Premises to the total gross leasable square footage area of the building or buildings covered by such service contract. Landlord may also elect to estimate the costs payable by Tenant under this Section and include said estimate in the exterior building maintenance costs to be paid by Tenant under Section 5.2 above.

- **B.** Expenses incurred in connection with the operation, maintenance, repair and replacement of heating and air conditioning equipment by the party obligated to perform same shall include, but not be limited to, all sums expended in connection with such heating and air conditioning equipment for all general maintenance, lubrication and/or adjustment, cleaning and/or replacing filters, replacing belts, repairing and/or replacing worn out parts, repairing and/or replacing utilities, duct work and machinery, maintenance and insurance contracts carried on the heating and air conditioning equipment, and all other items of expense incurred by such party in connection with the operation, maintenance, repair and replacement of heating and air conditioning equipment.
- Notwithstanding anything to the contrary, (i) if any of the HVAC systems serving the Premises should require maintenance or replacement at any time prior to the date that is Twelve (12) months after the Commencement Date and the need for such maintenance or replacement does not arise from the negligence or willful misconduct of Tenant, then Landlord shall perform such maintenance or repairs at Landlord's cost, (ii) at the expiration or termination of the Lease, provided Tenant has maintained the HVAC Maintenance Contract, Tenant shall have no obligation to perform any replacements or repairs to the HVAC systems serving the Premises to the extent the need for such repairs or replacement arises out of ordinary wear and tear, and Tenant shall be entitled to deliver such HVAC systems in their "as-is" "where-is" condition, and (iii) subject to the foregoing sentences and Section 3.1, if any HVAC systems serving the Premises reasonably require replacement during the Term, then Tenant shall perform such replacement subject to reimbursement from Landlord of the full cost of such replacement, provided that Tenant shall pay the Amortized Cost of such replacement to Landlord as additional rent during the remainder of the Amortized Period, and Tenant shall have no responsibility for any Amortized Cost to the extent the Amortized Period includes periods after the expiration or termination of the Lease. "Amortized Cost" shall mean the cost of an applicable HVAC replacement amortized on a ten (10) year, straight-line basis (such 10-year period, the "Amortized Period").
- **D. Surrender.** Upon the expiration or sooner termination of this Lease, Tenant shall surrender the Premises to Landlord free of trash and debris and in good and working condition, broom clean, ordinary wear and tear, casualty, and damage from causes beyond the reasonable control of Tenant excepted, in the same condition as when tendered by Landlord on the Commencement Date, and in compliance with all applicable laws, rules and regulations (unless such non-compliance existed as of the Commencement Date). Tenant shall promptly repair any damage to the Premises caused by the removal of any furniture, trade fixtures or other personal property placed in the Premises.

ARTICLE XVI DAMAGE AND DESTRUCTION

- 16.1 Insured Casualty. In the event that the Premises are partially or totally destroyed by fire or any other peril covered by insurance maintained by Landlord, Landlord shall, within a period of one hundred eighty (180) days after the occurrence of such destruction, but only to the extent that proceeds of such insurance are available to Landlord for such purpose, commence reconstruction and restoration of the Premises and prosecute the same diligently to completion. In the event insurance proceeds are not sufficient to pay the cost of such reconstruction, or if the damage or destruction is due to the acts or omissions of Tenant, its agents, employees or contractors, or if Landlord is restricted by any governmental authority, Landlord may elect to either terminate this Lease or pay the cost of such reconstruction. Such reconstruction shall be only to the extent necessary to restore the shell of the Premises and Tenant shall be obligated for the restoration of all additional improvements required to restore the Premises to substantially their condition prior to such destruction. The term "shell" shall mean with respect to the Premises (i) foundations, perimeter walls and roof and troweled, smooth concrete floor, (ii) Landlord's standard store front with one entry door, (iii) suspended acoustical tile ceiling, (iv) drywall on perimeter walls (excluding any rear masonry wall) taped and sanded only, (v) one restroom with Landlord's standard equipment, including water heater, mirror, light and exhaust fan and hollow core wood door, (vi) installation of standard heating and air conditioning, (vii) Landlord's standard fluorescent light fixtures, (viii) sign outlet at front of store and (ix) rear door.
- **16.2 Damage to the Center.** Notwithstanding anything to the contrary herein contained, in the event of a total destruction of the Center or a partial destruction of the Center, the cost of restoration of which would exceed one-third (1/3) of the then replacement value of the Center, by any cause whatsoever, whether or not insured against and whether or not the Premises are partially or totally destroyed, Landlord may, within a period of one hundred eighty (180) days after the occurrence of such destruction, notify Tenant in writing that it elects not to so reconstruct or restore the Center, in which event this Lease shall cease and terminate as of the date thirty (30) days following the date Landlord provides such notice of termination to Tenant.
- 16.3 Damage Near End of Term. Notwithstanding the foregoing, in the event that the Premises are partially or totally destroyed during the last two (2) years of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease by giving written notice to the other of the exercise of such option within thirty (30) days after such destruction, in which event this lease shall cease and terminate as of the date of service of such notice, in which case Tenant shall be obligated to deliver to Landlord an amount equal to the proceeds of the fire and extended coverage insurance carried or required to be carried by Tenant herein. For the purposes of this Article, partial destruction shall be deemed to be a destruction to an extent of at least one-third (1/3) of the full replacement cost of the Premises as of the date of destruction.
- **16.4** Release of Liability. In the event of any termination of this Lease in accordance with this Article, the parties shall be released thereby without further obligation to the other party coincidental with the surrender of possession of the Premises to Landlord except for items which have theretofore accrued and are then unpaid or unperformed.
- **16.5 Statutory Waiver.** In respect to any partial or total destruction of the Premises or the Center, each party hereby waives any statutory right it may have to cancel or terminate this Lease as a result of such destruction.

16.6 Abatement of Rent. In the event of reconstruction and restoration as herein provided, the Minimum Annual Rent provided to be paid under this Lease shall be abated in the same proportion that Tenant's use of the Premises is impaired commencing from the date of destruction and continuing during the period of such reconstruction or restoration. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay rent and all other charges, except as set forth above, shall remain in full force and effect. Tenant shall not be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises, Tenant's personal property or any inconvenience or annoyance occasioned by such destruction, reconstruction or restoration. Tenant hereby waives any statutory rights of termination which may arise by reason of any partial or total destruction of the Premises or of the Center.

ARTICLE XVII COMMON AREAS

- 17.1 Use of Common Areas. Tenant shall have the non-exclusive right to use certain automobile parking areas and other facilities from time to time designated by Landlord for the general use, convenience and benefit of the customers and patrons of Tenant and of other tenants, owners and occupants of the Center, which areas may include, without limitation, parking areas, landscaped areas, access and perimeter roads, driveways, sidewalks, and like areas so designated by Landlord, which automobile parking areas and other facilities, together with the service corridors and all other service facilities and equipment are referred to herein as "common areas." In addition, although the roof[s] and other features of the buildings in the Center are not literally part of the common areas and are not designated for the common use of all tenants, they will be deemed common areas for purposes of (i) Landlord's right to prescribe rules and regulations regarding the roof[s] of any building in the Center and (ii) calculating common area maintenance charges. Except as otherwise specifically provided in this Lease, Tenant and its employees and invitees are authorized, empowered and privileged to use the common areas in common with other authorized persons, as determined by Landlord, during the Lease Term. Landlord shall keep or cause to be kept said common areas in a neat, clean and orderly condition, property lighted and landscaped, and shall repair any damage to the facilities thereof.
- 17.2 Enlargement or Development of Common Areas. Should Landlord acquire or make available additional land not shown as part of the Center on Exhibit "A" and make the same available as common areas, the expenses incurred by Landlord in connection with the operation, maintenance, repair and replacement of common areas also shall include all of the aforementioned expenses incurred and paid in connection with said additional land. Should Landlord develop the Center as shown on Exhibit "H" or otherwise, Tenant's prorata share shall be adjusted accordingly to reflect additional users of the Center on a square footage basis. Tenant shall reasonably cooperate with Landlord in connection with such development of the Center, at no material cost to Tenant.

17.3 Common Area Rules and Regulations.

A. Landlord shall at all times have the right and privilege of determining the nature and extent of the common areas, whether the same shall be surface, underground or multiple-deck, and of making changes to the configuration, size and/or location of the common areas from time to time, including without limitation the location and relocation of driveways, entrances, exits, automobile parking spaces, landscaping areas and all other facilities thereof, the direction and flow of traffic and/or the designation of common area as building area and/or building

area as common area; provided that at all times the common areas, subject to governmental action and/or casualty damage, shall contain adequate parking spaces to satisfy the requirements of all applicable governmental authorities.

- **B.** Nothing contained herein shall be deemed to create any liability upon Landlord for any damage to motor vehicles of customers or employees or for loss of property from within such motor vehicles, unless caused by the gross negligence or willful misconduct of Landlord, its agents, servants or employees.
- C. Landlord shall have the right to establish and, from time to time, to change, alter and amend, and to enforce against Tenant and the other users of the common areas, such reasonable rules and regulations as may be deemed necessary or advisable by Landlord for the proper and efficient operation and maintenance of the common areas. The rules and regulations herein provided for may include, without limitation, (i) the hours during which the common areas shall be open for use, (ii) the regulation of the removal, storage and disposal of Tenant's refuse and other rubbish; (iii) the access routes and hours for delivery to the Premises by trucks and trailers; (iv) the restriction of designated areas for drive-through banking, savings, restaurant or other drive-through facilities, promotional and/or seasonal sales activities, car pool parking by employees and/or loading, trash and other storage area, whether or not such storage areas are roofed and/or enclosed, (v) authorizing designated sidewalk areas for vending machines and/or other commercial uses by certain Center occupants, provided that such vending machines and/or other uses do not unreasonably interfere with the use of said sidewalks for pedestrian traffic, (vi) the establishment of certain limited areas as exclusive parking areas and/or for valet parking for one or more specified occupants of the Center; and (vii) the establishment of a system or systems of validation or similar operation, including a system of charges against non-validated parking checks of users. Tenant agrees to conform to and abide by all such rules and regulations in its use and the use of its customers and patrons with respect to said automobile parking areas. Subject to the rights of certain occupants described above, all such rules and regulations affecting the customers and patrons of Tenant shall apply equally and without discrimination to all persons entitled to the use of the common areas.
- 17.4 Control of Common Area. Landlord shall at all times after the Effective Date noted in the Preamble have the sole and exclusive control of the automobile parking areas and structures, the parking spaces therein, drive-ways, entrances and exits and the sidewalks and pedestrian passageways and other common areas and may, at any time and from time to time after said Effective Date, exclude and restrain any person from use or occupancy thereof excepting, however, bona fide customers, students, parents, patrons and service suppliers of Tenant and other tenants of Landlord who make use of such areas in accordance with the rules and regulations established by Landlord from time to time with respect thereto. The rights of Tenant in and to the common areas shall at all times be subject to the rights of Landlord, the other tenants and/or occupants of the Center and others, if authorized by Landlord, to use the same in common with Tenant, and it shall be the duty of Tenant to keep all of such areas free and clear of any obstructions created or permitted by or under Tenant or resulting from business operations on or from the Premises.
- 17.5 If, in the opinion of Landlord, unauthorized persons are using any of the common areas by reason of the presence of Tenant in the Premises, Tenant, upon demand of Landlord, shall restrain and prohibit the use of the common areas by such unauthorized persons by appropriate proceedings. Nothing herein shall affect the rights of Landlord at any time to remove any such unauthorized persons from the common areas or to restrain the use of any of such areas by unauthorized persons.

ARTICLE XVIII TENANT'S DEFAULTS; REMEDIES

- **18.1 Events of Tenant Default.** The occurrence of any of the following shall constitute a default and material breach of this Lease by Tenant:
- **A.** Any failure by Tenant to pay any rent or Minimum Annual Rent, common area expenses, real property taxes, or insurance expenses, or any part thereof when due, and such failure shall continue for five (5) days after Tenant's receipt of written notice from Landlord; or
- **B.** Any failure by Tenant to observe or perform any other provision, covenant or condition of this lease to be observed or performed by Tenant where such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a thirty (30) day period, Tenant shall not be deemed to be in default if it shall commence such cure within such period and thereafter diligently pursue such cure to completion before the expiration of 60 days from the date of the original notice; or
 - **C.** Abandonment or vacation of the Premises by Tenant; or
- **D.** To the extent permitted by law, a general assignment by Tenant or any Guarantor of this Lease for the benefit of creditors, or the filing by or against Tenant or any Guarantor of any proceeding under an insolvency or bankruptcy law, unless in the case of a proceeding filed against Tenant or any Guarantor the same is dismissed within ninety (90) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any Guarantor, unless possession is restored to Tenant or such Guarantor within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days.
- **18.2** Landlord's Remedies. In the event of a default by Tenant (beyond any applicable notice and cure period), Landlord, in addition to any other remedies available to it at law or in equity, including injunction, at its option, may:
- **A.** Terminate this Lease, retake possession of the Premises, and recover from Tenant as damages:
 - (i) The total Rent due and unpaid at the time of termination, plus interest thereon from the date due until the date paid at the rate specified in Section 30.14; plus any other amounts necessary to compensate Landlord for any detriment proximately caused by Tenant's failure to perform its obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom, including without limitation, the cost of (a) removing and storing Tenant's or any other occupant's property, (b) repairing, renovating and reletting the Premises, (c) reasonable attorneys' fees, (d) real estate commissions and fees, and (e) expenses or costs incurred in connection with mortgagees or other tenants as a result of such termination; and
 - (ii) A sum equal to the amount, if any, by which the then cash value of the total rent and all other charges that Tenant would have been required to pay under this Lease for the period which otherwise would have been the unexpired portion of the

Lease Term, exceeds the then cash value of the fair and reasonable rental value of the Premises for the same period. The "fair and reasonable rental value of the Premises" will be determined on the basis of a tenant paying not only a return to a landlord for the use and occupation of the Premises, but also other monies, costs, charges, and expenses as are required to be paid by Tenant under the terms of this Lease. The term "then cash value" means the amount in question discounted at the rate of four percent (4%) per year to present worth.

- Terminate Tenant's right to possession of the Premises (without B. terminating this Lease) and retake possession of the Premises from Tenant by summary proceedings or otherwise (without terminating this Lease), and it is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or any execution of any judgment or decree obtained in any action to recover possession of the Premises, will not be construed as an election to terminate this Lease, and will not be deemed to have discharged Tenant from any of its obligations for the remainder of the Term. Tenant will, notwithstanding any such reentry, continue to be liable for payment of all rent and other charges and for performance of the covenants to be performed by Tenant under this Lease. If Landlord retakes possession of the Premises, Landlord will have only such obligation to relet the Premises as may be imposed upon Landlord by law, and subject to such limitations as are imposed by this Lease. If Landlord decides or is obligated to attempt to relet the Premises, such reletting shall be upon such terms and conditions as Landlord, in its sole discretion, may determine (including, without limitation, a term different from the Lease Term, rental concessions, alterations, and repair of the Premises). Landlord will not be liable for, nor will Tenant's obligations be diminished because of, Landlord's failure to relet the Premises or collect rent due with respect to such reletting. If there is a reletting, all of the rentals and other charges received by Landlord from such reletting will be applied in the following order: (i) to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; (ii) to the payment of any and all costs of such reletting; (iii) to the payment of the cost of any alterations or repairs to the Premises; (iv) to the payment of all losses and expenses incurred by Landlord as a result of Tenant's default (including losses and expenses resulting from the adverse reactions of mortgagees or other tenants or potential tenants); (v) to the payment of rent due and unpaid under this Lease, and (vi) the residue, if any, will be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. If the rentals received during any month from such reletting are insufficient, following the specified application thereof, to cover the rent payable by Tenant during such month, then Tenant shall pay any deficiency to landlord, which deficiency shall be calculated and paid monthly. Tenant will have no right to any excess rentals received from such reletting. Tenant will also pay to Landlord, as soon as ascertained, any costs and expenses, including but not limited to brokerage commissions and reasonable attorneys' fees incurred by Landlord in such reletting, or in making such alterations and repairs not covered by the rentals received from such reletting. Tenant agrees that Landlord may file suit from time to time to recover any sums due under the terms of this subparagraph. If Landlord retakes possession of the Premises, Landlord will have the right, but not the duty, to remove therefrom all or any part of the personal property located therein, and may place the same in storage at the expense and risk of the owner or owners thereof.
- **C.** To the extent permitted by law, if a default occurs, Landlord is entitled and is authorized, without any notice to Tenant whatsoever, to enter upon the Premises by use of a master key, a duplicate key, or other peaceable means, and to change, alter or modify the door locks on all entry doors of the Premises, thereby excluding Tenant and its officers, principals, agents, employees and representatives therefrom, and shall not be obligated to re-admit Tenant unless Tenant has paid all arrears in rent and otherwise cured all Events of Default to Landlord's

satisfaction, and has presented Landlord with satisfactory evidence of Tenant's ability to satisfy its remaining obligations under this Lease. If Landlord has either terminated this Lease or permanently repossessed the Premises as set forth in this Lease, Landlord will not be obligated to provide Tenant with a key to the Premises at any time, regardless of any amounts subsequently paid by Tenant; provided, however, that in any such instance, during Landlord's normal business hours and at Landlord's convenience, and upon receipt of a written request from Tenant accompanied by such written waivers and releases as Landlord may require, Landlord will escort Tenant or its authorized personnel to the Premises to retrieve any personal belongings or other property of Tenant not subject to the Landlord's statutory, contractual, or other lien.

- D. The service of any notice, demand for possession, notice that the Tenant's tenancy will be terminated, institution of any action for forcible detainer or the entering of a judgment for possession, or any other act or acts resulting in the termination of Tenant's right to possession of the Premises, will not relieve Tenant from Tenant's obligations to pay the rent during the balance of the Lease Term or any extension thereof. Landlord may collect and receive any rent due from Tenant, and the payment thereof will not constitute a waiver of, or affect, any notice or demand given, suit instituted or judgment obtained by Landlord, or be held to waive, affect, change, modify or alter the rights and remedies which Landlord has in equity or at law. At any time after the occurrence of an Event of Default, Landlord may, without being under any obligation to do so and without thereby waiving such default, cure the default for the account of Tenant (and enter upon the Premises for such purpose), and thereupon Tenant will be obligated and agrees to pay to Landlord, upon demand, all costs, expenses and disbursements (including reasonable attorneys' fees) incurred by Landlord in curing such Event of Default, together with interest thereon as provided in this Lease.
- **E.** In addition to any rights or remedies hereinbefore or hereafter conferred upon Landlord under the terms of this Lease, the following remedies and provisions shall specifically apply in the event Tenant engages in any one or more of the acts contemplated by the provisions of Section 18.1(D) of this Lease:
 - (i) Any receiver or trustee in bankruptcy shall either expressly assume or reject this Lease within sixty (60) days following the entry of an "Order for Relief" or within such earlier time as may be provided by applicable law;
 - (ii) In the event of an assumption of this Lease by a debtor or by a trustee, such debtor or trustee shall, within fifteen (15) days after such assumption (i) cure any default or provide adequate assurance that defaults will be promptly cured; and (ii) compensate Landlord for actual pecuniary loss or provide adequate assurance that compensation will be made for actual pecuniary loss including, but not limited to, all attorneys' fees and costs incurred by Landlord resulting from any such proceedings; and (iii) provide adequate assurance of future performance;
 - (iii) Where a default exists in this Lease, the trustee or debtor assuming this Lease may not require Landlord to provide services or supplies incidental to this Lease before its assumption by such trustee or debtor, unless the Landlord is compensated for such services and supplies provided and the default is cured before the assumption of such Lease;
 - (iv) The debtor or trustee may assign this Lease only if each of the following conditions is satisfied: (i) the Lease is assumed; (ii) adequate assurance of future performance by the assignee is provided, whether or not the Lease is then under

default; (iii) any consideration paid by any assignee in excess of the rental reserved in this Lease shall be the sole property of, and paid to, Landlord; and (iv) the provisions of Article XIII are otherwise observed;

- (v) Landlord shall be entitled to the fair market value for occupancy of the Premises and the services provided by Landlord (but in no event less than the rental reserved in this Lease) subsequent to the commencement of a bankruptcy event;
- (vi) Any security deposit given by Tenant to Landlord to secure the future performance by Tenant of all or any of the terms and conditions of this lease, shall be automatically transferred to Landlord upon the entry of an "Order of Relief"; and
- (vii) The parties agree that Landlord is entitled to adequate assurance of further performance of the terms and provisions of this Lease in the event of any assumption and assignment of the Lease under the provisions of the Bankruptcy Code. For purposes of any such assumption or assignment, the parties agree that the term "adequate assurance" shall include at least the following without limitation:
 - (a) Any proposed assignee must have demonstrated to Landlord's satisfaction a net worth (as defined in accordance with generally-accepted accounting principles consistently applied) of an amount sufficient to assure that the proposed assignee will have the resources with which to conduct the business to be operated in the Premises, including the payment of all rent and other charges hereunder, for the balance of the Lease Term. The financial condition and resources of Tenant are material inducements to Landlord entering into this Lease.
 - (b) Any proposed assignee must have engaged in the permitted use described in <u>Section 1.1</u> and the Preamble hereof for at least five (5) consecutive years prior to the proposed assignment.
 - (c) Any proposed assignee must have had minimum sales at each location at which it operated such a business equal to at least ninety percent (90%) of Tenant's average monthly sales at the Premises for the eighteen (18) month period preceding initiation of a proceeding under the Bankruptcy Code.
 - (d) In entering into this Lease, Landlord considered extensively Tenant's permitted use and determined that such permitted business would add substantially to the tenant mix in the Center, and were it not for the Tenant's agreement to operate only Tenant's permitted business on the Premises, Landlord would not have entered into this Lease. Landlord's operation of the Center will be materially impaired if a trustee in bankruptcy or any assignee of this Lease operates any business other than Tenant's permitted business.
 - (e) Any assumption of this Lease by a proposed assignee shall not adversely affect Landlord's relationship with any of the remaining tenants in the Center, taking into consideration any and all other "use" clauses and/or "exclusivity" clauses which may then exist under such tenants' leases with Landlord.

- 18.3 Computations. For the purposes of the preceding paragraph, all rental and charges other than Minimum Annual Rent including, but not limited to, common area charges, enclosed mall charges, and Percentage Rent, if any, shall be computed on the basis of the average monthly amount thereof accruing during the twelve (12) month period immediately preceding notice to Tenant of Tenant's default unless a twelve (12) month period of this Lease has not elapsed, in which case the average monthly amount shall be based upon the entire period of Tenant's occupancy of the Premises. In the event of default, all of Tenant's fixtures, furniture, equipment, improvements, additions, alterations and other personal property shall remain on the Premises, and during the period of such default, Landlord shall have the right to require Tenant to remove the same forthwith.
- Cure of Tenant's Default. Should Tenant fail to pay and discharge, when due 18.4 and payable any lien or claim for labor or materials, or any claim for damages arising out of the repair, alteration, maintenance and use of the Premises to be paid by Tenant under this Lease, or should Tenant fail to provide or evidence the provision of any insurance policy as required by this Lease, or should Tenant fail to fully pay or perform any sum to be paid or any covenant or agreement to be performed by Tenant, as provided for in this Lease, after ten (10) business days' written notice from Landlord (except as provided to the contrary in Section 15.1 above or unless Landlord is required to cure Tenant's failure in performance to correct an unsafe condition or to obtain insurance to have been provided or evidenced by Tenant, in which event said prior written notice shall not be required), then Landlord may, at its option and without waiving or releasing Tenant from any of Tenant's obligations hereunder, pay any such lien, claim, or charge, or settle or discharge any action therefor or satisfy any judgment thereon, or obtain any such insurance, or pay any such sum or perform any such covenant or agreement. All costs, expenses and other sums incurred or paid by Landlord in connection therewith, together with interest at the maximum rate permitted by law per annum on such costs, expenses, and sums from the date incurred or paid by Landlord, shall be deemed to be additional rent hereunder and shall be paid by Tenant to Landlord upon demand, and any default therein shall constitute a breach of the covenants and conditions of this Lease.
- 18.5 No Waiver. The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing and executed by Landlord.

ARTICLE XIX DEFAULT BY LANDLORD

19.1 Generally. Landlord shall not be in default hereunder unless Landlord fails to perform the obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and, following Landlord's failure to act within such thirty (30) day notice period, to the holder of any mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing and specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within

such thirty (30) day period and thereafter diligently prosecutes the same to completion. In the case of a default by Landlord, prior to Tenant's exercise of any remedy, the holder of any mortgage or deed of trust encumbering the Center shall have the right, but not the obligation, to cure such a default. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default, and Tenant's remedies shall be limited to an action at law for monetary damages plus Tenant's reasonable attorneys' fees. Notwithstanding anything to the contrary, if a condition exists in the Premises that, in Tenant's reasonable discretion, poses an imminent risk of personal injury or material property damage, Tenant may, upon seven (7) business days' advance written notice to Landlord, perform work reasonably required to remediate such condition, and Landlord shall reimburse Tenant for the cost of such work (but only to the extent such work was work for which Landlord would have been responsible pursuant to Section 15.2 or another express provision of this Lease) documented to Landlord's reasonable satisfaction within thirty (30) days of Tenant's invoice therefor, and if not paid within such period, Tenant may deduct such costs from Tenant's obligation to pay rent without being in breach of this Lease.

ARTICLE XX ATTORNEYS' FEES

In the event that either party shall institute any legal action or other proceeding, including referral to a collection agency, against the other relating to the provisions of this Lease, or any default hereunder, the unsuccessful party in such action or proceeding agrees to pay to the prevailing party the reasonable attorneys' fees and any and all costs, including the costs of a collection agency, actually incurred by the prevailing party, regardless if such legal action or proceeding is pursued to or results in an actual judgment.

ARTICLE XXI EMINENT DOMAIN

- 21.1 Taking Resulting in Termination. In the event that all or substantially all of the Premises shall be taken under the power of eminent domain, or that any portion of the Center shall be so taken so as to render the Center not reasonably suitable for continuation of business in Landlord's or Landlord's lender's absolute discretion, this Lease shall thereupon terminate as of the date possession shall be so taken. In the event that a portion of the floor area of the Premises shall be taken under the power of eminent domain and the portion not so taken will not be reasonably adequate for the operation of Tenant's business, notwithstanding Landlord's performance of restoration as hereinafter provided, this Lease shall terminate as of the date possession of such portion is taken. If this Lease is terminated, all rent shall be paid up to the date that actual possession of the Premises, or a portion thereof, is taken by public authority, and Landlord shall make an equitable refund of any rent paid by Tenant in advance and not yet earned.
- **21.2 Partial Taking.** In the event of any taking under the power of eminent domain which does not terminate this Lease as aforesaid, all obligations of Tenant under this Lease shall remain in full force and effect, except that the Minimum Annual Rent only shall be reduced in the same proportion that the amount of floor area of the Premises taken bears to the floor area of the Premises immediately prior to such taking, and Landlord shall, to the extent of the condemnation award, at Landlord's own cost and expense, restore such part of Landlord's Work in the Premises described in Exhibit "C" as is not taken to as near its former condition as the circumstances will permit, and Tenant shall do likewise with respect to such part of Tenant's Work as is not taken. In such event, this Lease shall terminate as to the portion of the Premises so taken.

- **21.3 Award.** All damages awarded for any such taking under the power of eminent domain, whether for the whole or a part of the Premises, shall belong to and be the property of Landlord, whether such damages shall be awarded as compensation for diminution in value of the leasehold or for the fee of the Premises; provided, however, that nothing herein contained shall prevent Tenant from making claim for loss or damage to Tenant's trade fixtures and removable personal property.
- **21.4 Transfer Under Threat of Taking.** A voluntary sale by Landlord of all or any portion of the Center to a public or quasi-public body, agency or person, corporate or otherwise, having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, shall be deemed to be a taking by eminent domain.

ARTICLE XXII SUBORDINATION TO FINANCING; ATTORNMENT

- 22.1 Subordination. Provided Tenant delivers a commercially reasonable Subordination, Non-Disturbance, and Attornment Agreement duly executed by any lender with a mortgage or deed of trust for the Center, this Lease is subject and subordinate to all ground and/or other underlying leases including sale and leaseback leases, mortgages and deeds of trust or other encumbrances which now or hereafter shall affect the Center, the Premises or any portion thereof, together with all renewals, modifications, consolidations and/or extensions thereof. In the event that the lessor under any such lease or the holder or holders of any such mortgage. deed of trust or other encumbrance shall advise Landlord that it or they desire that this Lease be prior and superior thereto or that it or they desire the option to make this Lease prior and superior thereto, upon written request of Landlord to Tenant, provided such documents contain reasonable non-disturbance provisions, Tenant agrees to promptly execute, acknowledge and deliver any and all documents or instruments which Landlord or such lessor, holder or holders deem reasonably necessary or desirable in connection therewith and to comply with the terms of Exhibit "B".
- **22.2 Estoppel Certificate.** If in connection with any sale, assignment or hypothecation of the Premises, the Center, or the land thereunder by Landlord, an estoppel statement shall be required from Tenant, or if Landlord shall otherwise request an estoppel certificate, Tenant agrees to deliver in recordable form within ten (10) business days after written request therefor by Landlord, an estoppel statement substantially in the form attached hereto as <a href="Exhibit "E" or containing substantially the same certifications as set forth in the attached Exhibit "E", together with such additional certifications as to such other matters as Landlord may reasonably require. Tenant's failure or refusal to timely execute such certificate, or such other certificate shall constitute an acknowledgment by Tenant that the statements in such certificate are true and correct without exception.
- **22.3 SNDA**. Landlord shall use commercially reasonable efforts to cause its lender to execute the Subordination and Non-Disturbance Agreement on the form set forth in <u>Exhibit "G"</u> within sixty (60) days of the mutual execution and delivery of this Lease.

ARTICLE XXIII SALE OF PREMISES BY LANDLORD

In the event of any sale, exchange or other conveyance of Landlord's interest in the Center or any portion or portions thereof by Landlord and an assignment by Landlord of this Lease, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its

covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission relating to the Premises or this lease occurring after the consummation of such sale, exchange or other conveyance and assignment provided that such assignee of Landlord's interest agrees to assume all obligations of Landlord under the Lease.

ARTICLE XXIV HOLDOVER BY TENANT

Tenant shall pay Landlord for each day Tenant retains possession of the Premises or part of them after termination of this Lease by lapse of time or otherwise at the rate ("Holdover Rate") which shall be One Hundred Twenty Five Percent (125%) of the amount of the Monthly Rent for the last period prior to the date of such termination plus Tenant's Share of costs under Article V for the first thirty (30) days of holdover, which shall be increased to One Hundred Fifty Percent (150%) of the amount of the Monthly Rent for the last period prior to the date of such termination plus Tenant's Share of costs under Article V for the next thirty (30) days of holdover, and shall be increased again to Two Hundred Percent (200%) of the amount of the Monthly Rent for the last period prior to the date of such termination plus Tenant's Share of costs under Article V thereafter. If Landlord gives notice to Tenant of Landlord's election to such effect, such holding over shall constitute renewal of this Lease for a period from month to month at the Holdover Rate, but if the Landlord does not so elect, no such renewal shall result notwithstanding acceptance by Landlord of any sums due hereunder after such termination; and instead, a tenancy at sufferance at the Holdover Rate shall be deemed to have been created. In any event, no provision of this Article shall be deemed to waive Landlord's right of reentry or any other right under this Lease or at law. Additionally, in the event that upon termination of the Lease, Tenant has not fulfilled its obligation with respect to repairs and cleanup of the Premises or any other Tenant obligations as set forth in this Lease, then Landlord shall have the right to perform any such obligations as it deems necessary at Tenant's sole cost and expense, and any time required by Landlord to complete such obligations shall be considered a period of holding over and the terms of this section shall apply. If Tenant holds over for a period in excess of thirty (30) days, Tenant shall also be liable to Landlord for all damage which Landlord suffers because of any holding over by Tenant, and Tenant shall indemnify, defend, protect and hold Landlord harmless from and against any and all loss, cost, damage, including consequential damages, or liability arising out of such holding over. including without limitation, all claims made by any other tenant or prospective tenant against Landlord resulting from delay by Landlord in delivering possession of the Premises to such other tenant or prospective tenant. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

ARTICLE XXV NOTICES

25.1 Notices. Wherever in this Lease it shall be required or permitted that notice, approval, advice, consent or demand be given or served by either party to this Lease to or on the other, such notice, approval, advice, consent or demand shall be deemed to be given or served if such notice is in writing and served by certified, registered or overnight mail evidencing receipt thereof, addressed to the parties at the addresses listed in <u>Section 1.1</u> hereof. Such notice shall be deemed received by the other party on the date actually received by the other party as evidenced by certified, registered, or overnight mail receipt, or if delivery is refused, on the date of such refusal. Either party may change such address by written notice delivered as provided herein.

- **25.2 Default Notices.** Notwithstanding anything to the contrary contained herein, any notices Landlord is required or authorized to serve upon Tenant in order to advise Tenant of alleged violations of Tenant's covenants contained in Article XI (improper advertising medium/signs), Article XV (failure of Tenant to properly repair and/or maintain the Premises), or Article XVII (improper parking of automobiles), must be in writing but shall be deemed to have been duly given or served upon Tenant by delivery of a copy of such notice to one of Tenant's managing or responsible employees at the Premises and by mailing a copy of such notice to Tenant in the manner specified above.
- **25.3 Rent Payments.** Payments of Rent only shall be made payable to the order of Landlord and delivered to such other address as Landlord may from time to time designate in writing, which designation may be in the form of a monthly statement of rent and other charges.

ARTICLE XXVI RELOCATION

A. Intentionally Omitted

ARTICLE XXVII PROMOTIONAL FUND

A. Intentionally Omitted

ARTICLE XXVIII CAPTIONS AND TERMS

- **28.1 Reference Only.** The captions of Articles and Sections of this Lease are for convenience only and do not in any way limit or amplify the terms and provisions of this Lease. Except as otherwise specifically state in this Lease, the "**Lease Term**" shall include the original term and any extension, renewal or holdover thereof.
- **28.2 Parties.** If more than one (1) person or corporation is named as Landlord or Tenant in this Lease and executes the same as such, the words "Landlord" or "Tenant," wherever used in this Lease, are intended to refer to all such persons or corporations, and the liability of such persons or corporations for compliance with the performance of all the terms, covenants and provisions of this Lease shall be joint and several. The masculine pronoun used herein shall include the feminine or the neuter as the case may be, and the use of the singular shall include the plural, as the context may require.

ARTICLE XXIX OBLIGATIONS AND SUCCESSORS

Each and all of the provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto, and except as otherwise specifically provided in this Lease, their respective heirs, executors, administrators, successors and assigns, subject, however, to all agreements, covenants, and restrictions contained elsewhere in this Lease with respect to the assignment, transfer, encumbering or subletting of all or any part of Tenant's interest in this Lease or the Premises.

ARTICLE XXX MISCELLANEOUS PROVISIONS

- **30.1 Severability.** It is agreed that if any provision of this Lease shall be determined to be void by a court of competent jurisdiction, then such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect.
- **30.2 Warranty of Corporate Authority.** If Tenant is a corporation, the persons executing this Lease on behalf of Tenant hereby covenant and warrant that Tenant is a duly formed corporation and all steps have been taken prior to the date hereof to qualify Tenant to do business in the state where the Center is located; that all franchise and corporate taxes have been paid to date; and that all forms, reports, fees and other documents necessary to comply with applicable laws will be filed when due.
- **30.3 Merger.** It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease, and this Lease entirely supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease contains all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises and shall be considered to be the only agreement between the parties hereto and their representatives and agents. None of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except by written Lease Amendment signed by the parties hereto. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties, and all reliance with respect to representations is totally upon the representations and agreements contained in this lease.
- **30.4 Right to Lease.** Landlord reserves the absolute right to effect such other tenancies in the Center as Landlord in the exercise of its sole business judgment shall determine. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Center or that any particular building or other improvements will be constructed or remain within the Center.
- **30.5 Governing Law.** The laws of the State in which the Center is located, shall govern the validity, construction, performance and enforcement of this Lease. Should either party institute legal action to enforce any obligation contained herein, it is agreed that the proper venue of such suite or action shall be the county and judicial district in which the Center is located. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall not be construed either for or against Landlord or Tenant but shall be interpreted in accordance with the general tenor of its language.
- **30.6** Entry by Landlord. Landlord reserves, and shall at any and all times upon twenty-four (24) hours prior written notice (except in the case of an emergency), have the right for itself, any lessor and their respective designees to enter the Premises to inspect the same and Tenant's operations, to protect their respective interests, to post notices of nonresponsibility, to repair the Premises and any portion of the Building that Landlord may deem necessary or desirable or to perform environmental studies, without abatement of rent (subject to Section 15.2), and, for that purpose, may erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, always providing that the entrance of the Premises shall not be blocked thereby, and further providing that the business of the Tenant shall not be

interfered with unreasonably. Landlord and Landlord's agents shall also have the right to show the Premises to prospective purchasers and/or lenders during the term of this Lease. Tenant shall permit Landlord, at any time within six (6) months prior to the expiration of this Lease, to place upon the Premises any usual or ordinary "For Lease" signs, and during such six (6) month period Landlord, or Landlord's agents, during normal business hours, may enter upon the Premises and exhibit same to prospective tenants. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults, safes and files. Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency, in order to obtain entry to the Premises without liability to Tenant, except for any failure to exercise due care of Tenant's property. Any entry to the Premises obtained by Landlord or the Landlord's lessor or their designees by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or an unlawful entry into, or a detainer of, the Premises, or eviction of Tenant from the Premises or any portion thereof. Landlord shall use commercially reasonable efforts at all times to conduct Landlord's presence (and that of Landlord's contractor, agent, or person accessing the Premises by or through Landlord) on the Premises so as not to cause unreasonable interference with Tenant's use of the Premises.

- **30.7 Force Majeure.** Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, act of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, epidemic or pandemic and any governmental action or inaction as a result of such epidemic or pandemic, including, without limitation, the imposition by federal, state, or local governmental authorities of "shelter in place" or quarantine requirements or the required closing of retail establishments in general or the permitted use in particular, and other non-financial causes beyond the reasonable control of the party obligated to perform, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage, except the obligations imposed with regard to rental and other charges to be paid by Tenant pursuant to this Lease.
- **30.8 Cumulative Rights.** The various rights, options, elections, powers and remedies contained in this Lease shall be construed as cumulative, and no one remedy shall be exclusive of any other remedy, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations imposed upon the other party have been fully performed.
- **30.9 Time.** Time is of the essence with respect to the performance of each of the covenants and agreements contained in this Lease.
- **30.10 Relationship of Parties.** Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the method of computation of rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.
- **30.11 Late Charges.** Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which is extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by the terms of any mortgage or deed of trust covering the Premises.

Accordingly, if any installment of rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee when due and beyond any notice and cure period, then Tenant shall pay to Landlord a late charge equal to Two Hundred Fifty and 00/100 Dollars (\$250.00) or five percent (5%) of the amount due, whichever is higher, provided that such amount will not exceed the maximum rate permitted by law, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay rent and/or other charges when due hereunder. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder. Tenant hereby agrees that if Tenant is subject to a late charge for two (2) consecutive months, Minimum Annual Rent for the following twelve (12) months shall automatically be adjusted to be payable quarterly, in advance, commencing upon the first day of the month following such consecutive late month and continuing for the next twelve (12) months on a quarterly basis in advance.

- 30.12 Financial Statements. At any time during the Lease Term (but no more than once during any calendar year), in connection with any sale or financing of the Shopping Center, Tenant shall, upon twenty (20) days' prior written notice from Landlord, provide Landlord or any institutional mortgage lender, or any purchaser negotiating with Landlord to purchase the Shopping Center, with a confidential current financial statements for each of the two (2) years prior to the then current fiscal statement year, for Tenant and any guarantor of Tenant's obligations hereunder. The covenant in the previous sentence is subject, as a condition precedent, to such recipient signing a commercially reasonable non-disclosure agreement, and any delay in negotiating such document shall not be included in such twenty (20) day period. Such current statements shall be prepared as generally maintained in the regular course of Tenant's business according to accounting principles consistently applied and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. Additionally, Landlord shall at all times subsequent to the Effective Date noted in the Preamble, be authorized to retrieve a third-party credit report on Tenant from third party credit agencies (e.g., TRW).
- **30.13 Real Estate Brokers.** Tenant represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease on behalf of Tenant, except Kohr Royer Griffith (the "**Broker**"), and Tenant agrees to indemnify Landlord against and hold it harmless from all liability arising from any claim for commissions or finder's fees arising out of a breach of the foregoing representation. Landlord shall pay Broker a commission pursuant to a separate agreement. Landlord agrees to indemnify, defend, and hold Tenant harmless from and against all claims / brokerage fees / commissions arising out of brokers engaged by Landlord. Starting on the first day of the 6th Lease Year and on the first day of each subsequent Lease Year, Landlord shall pay Broker a referral fee equal to three percent (3%) of the net rent for the prior 12 month period.
- **30.14** Interest. Tenant shall pay to Landlord when due all sums of money required to be paid pursuant to this Lease. Except as may be expressly provided to the contrary in this Lease, if Tenant shall fail to pay any such sum, when the same is due and payable, beyond any applicable notice and cure period, such unpaid amounts shall bear interest at ten percent (10%) per annum from the date of such notice to the date of payment.
- **30.15 No Discrimination.** Tenant herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this Lease is made and accepted

upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of sex, sexual preference, marital status, race, color, creed, religion, national origin, or ancestry, in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the Premises herein leased, nor shall Tenant itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy of tenants, lessees, sublessees, or vendees in the Premises herein leased.

30.16 Exculpation. The obligations of Landlord under this Lease do not constitute obligations of the general or limited partners of the Landlord, and Tenant shall look solely to the Center (and all rents, revenues, income, and proceeds derived therefrom) and the real property on which the Center is constructed that is the subject of this Lease and to no other assets of Landlord for satisfaction of any liability in respect of this Lease and will not seek recourse against the general or limited partners of the partnership, which is Landlord herein, nor against any of their personal assets, for such satisfaction.

30.17 Hazardous Materials. Tenant represents and warrants that it and its agents, servants, employees, contractors, and anyone else acting on Tenant's behalf will not, store, dispose, produce, use, permit the escape or release of, transport or manufacture any biologically or chemically active, or toxic or hazardous waste or materials as defined or regulated by local, state or federal law on the Premises or any portion of the Center ("Hazardous Materials"); except that Tenant may use Hazardous Materials to the extent necessary for Tenant to conduct its operations in accordance with its Permitted Use so long as such Hazardous Materials are stored and used in compliance with all applicable laws ("Allowed Use"). Without limitation, Hazardous Materials shall include those described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et. seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq.; any applicable state or local laws, and the regulations adapted under these Acts. Tenant shall give Landlord prompt written notice of Tenant's discovery of the presence of or contamination of the Premises or the Center with Hazardous Materials. In the event Tenant or any of its agents, servants, employees, contractors or anyone else acting on Tenant's behalf violates the foregoing provision by storing, disposing, producing, using, transporting or manufacturing any Hazardous Materials in, on or about the Premises of the Center, Tenant shall indemnify, defend and hold Landlord harmless from any damage, claim, injury, cost or liability arising therefrom or related thereto, including all costs of clean-up, attorneys' fees and court costs. The clean up and disposal of such Hazardous Materials shall be performed by Tenant at Tenant's sole cost and expense and shall be performed in accordance with all applicable laws, rules, regulations and ordinances. The foregoing notwithstanding, Landlord in Landlord's sole and absolute discretion may elect, by written notice to Tenant, to perform the clean up and disposal of such Hazardous Materials from the Premises and/or the Center. In such event, provided that such clean up and disposal arises out of Tenant's beach of this Lease, Tenant shall pay to Landlord the actual cost of same upon receipt from Landlord of Landlord's written invoice therefor. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of Hazardous Materials on or from the Premises or resulting from the actions or inaction of Tenant or Tenant's employees, agents, invitees, or contractors, then the reasonable costs thereof shall be reimbursed by Tenant to Landlord upon demand as additional rent. In addition, Tenant shall executed affidavits, representations and the like from time to time at Landlord's request concerning Tenant's best knowledge and belief regarding the presence of hazardous substances or materials on the Premises. In all events, Tenant shall indemnify and hold Landlord and the Center harmless pursuant to and under Section 8.1 hereof from any release or Hazardous Material on or from the Premises occurring during the Lease Term or while Tenant is in

possession, or elsewhere if caused by Tenant or Tenant's employees, agents, invitees, or contractors. The terms of the indemnification set forth in this <u>Section 30.17</u> shall survive the expiration or termination of this Lease.

Tenant shall satisfy itself as to the existence of Hazardous Materials currently present at the Leased Premises, including without limitation, asbestos containing building materials, prior to Tenant's execution of the Lease. Notwithstanding anything contained in this Lease to the contrary, Tenant shall not have any liability to Landlord under this Lease resulting from any conditions existing, or events occurring, or any Hazardous Materials existing or generated, at, in, on, under or in connection with the Leased Premises prior to the Commencement Date except to the extent Tenant negligently exacerbates the same. At any time during the Term, if Tenant determines that Hazardous Materials are present at the Leased Premises or the Center that materially interfere with Tenant's use and occupancy of the Premises or access thereto and such presence is not caused by Tenant's breach of this Lease, Tenant may terminate this Lease upon ten (10) business days advance written notice to Landlord, and from and after the date of such termination, this Lease shall be of no further force or effect.

- **30.18 Disclaimer of Authority.** By signing this Lease, Tenant acknowledges and agrees that no promise, representations or assurances made by such broker(s) or by any other employee and/or agent of Landlord that is not expressly set forth in this Lease will be binding upon or enforceable against Landlord.
- **30.19 Landlord Representations.** Landlord hereby represents and warrants that (i) Landlord is duly organized, validly existing and in good standing in accordance with the laws of the State under which it was organized; (ii) Landlord is authorized to do business in the State where the Leased Premises are located; (iii) the individual(s) executing and delivering this Lease on behalf of Landlord has been properly authorized to do so, and such execution and delivery shall bind Landlord to its terms; (iv) upon the Commencement Date, Tenant will be entitled to occupy the Leased Premises and conduct the Permitted Use without breaching any covenants encumbering the Leased Premises or any agreements binding Landlord or the Leased Premises; (v) Landlord owns the Leased Premises and has the legal right and power to lease the Leased Premises to Tenant; and (vi) utilities reasonably necessary for Tenant's Permitted Use are available in commercially reasonable quantities at the Premises.
- **30.20 As Is.** Except as set forth herein, Tenant has examined and accepts the Premises in its present "as is" condition as suitable for the purposes for which the same are leased and hereby accepts the Premises regardless of reasonable deterioration between the effective date of this Lease and the date Tenant begins occupying the Premises unless Landlord and Tenant agree to repairs or refurbishment as noted in the Lease. Except as set forth herein, no warranties, express or implied (including, but not limited to, the warranties of merchantability, fitness for particular purpose, implied warranty of implied suitability for a particular purpose or suitability for commercial purposes, size or square footage of the premises, habitability, and good workmanship or performance) are made by Landlord, and Tenant hereby waives and disclaims all such warranties, express or implied and accepts the Premises in its present "as is" condition.
- **30.21 Executive Order.** Tenant hereby represents and warrants to Landlord that Tenant is not: (1) in violation of any Anti-Terrorism Law; (2) conducting any business or engaging in any transaction or dealing with any Prohibited Person, including the making or receiving or any contribution of funds, goods or services to or for the benefit of any Prohibited Person; (3) dealing in, or otherwise engaging in any transaction relating to, any property or interest in property blocked pursuant to Executive Order No. 13224; (4) engaging in or conspiring to engage in any transaction

that evades or avoids, or had the purpose of evading or avoiding, or attempts to violate any of the prohibitions set forth in any Anti-Terrorism Law; or (5) a Prohibited Person, nor are any of its partners, members, managers, officers or directors a Prohibited Person. As used herein, "Antiterrorism Law" is defined as any law relating to terrorism, anti-terrorism, money laundering or anti-money laundering activities, including Executive Order No. 13224 and Title 3 of the USA Patriot Act. As used herein "Executive Order No. 13224" is defined as Executive Order No. 13224 on Terrorist Financing effective September 24, 2001, and relating to "Blocking Property and Prohibiting Transactions With Persons Who Commit, or Support Terrorism" "Prohibited Person" is defined as (1) a person or entity that is listed in the Annex to Executive Order 13224; (ii) a person or entity with whom Tenant or Landlord is prohibited from dealing or otherwise engaging in any transaction by any Anti Terrorism Law, or (iii) a person or entity that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office Of Foreign Assets Control as its official website, http://www.treas.gov/ofac/t11sdn.pdf or at any replacement website or other official publication of such list. "USA Patriot Act" is defined as the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001" (Public Law 107-56).

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed and delivered this Lease as of the day and year first above written.

THIS LEASE SHALL NOT **BECOME** EFFECTIVE UNTIL **EXECUTED** BY LANDLORD AND DELIVERED TO TENANT AND THE SUBMISSION OF THIS FORM OF LEASE TO TENANT BY LANDLORD. OR LANDLORD'S AGENT. DOES NOT CONSTITUTE AN OFFER TO LEASE.

LANDLORD:

FRESHWAY LAWNDALE ERCA, LP,

a Delaware limited partnership

By: Lawndale Inline ERCA GP, LLC, a California limited liability company,

Its: General Partner

Docusigned by:

Gabe Archaederra

Gabe Arechaederra, its Manager

BRIGETTE LLC,

a Delaware limited liability company

By: Hershey Farm Company, L.P., a New York limited partnership, Sole Member

By: MZ Hershey LLC, a Pennsylvania limited liability company, General Partner

Policy Elman

Robert L. Zelman, Manager

TENANT:

OMBUDSMAN EDUCATIONAL SERVICES,

LTD. an Illinois corporation

By: Raj Kaushal
Raj Kaushal (May 3, 2024 09:54 CDT)

Name: Raj Kaushal

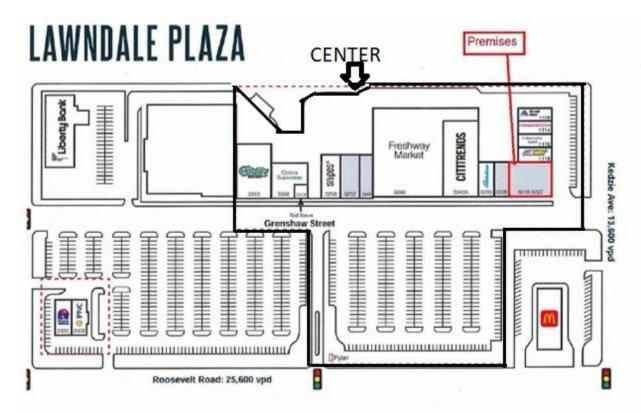
Its: Chief Operating Officer

Addendum No. 1

(Renewal Option)

- A. <u>Renewal Option</u>. Provided that Tenant is not then in default under this Lease beyond the expiration of any applicable notice and cure periods, Tenant shall have the right and option (the "**Renewal Option**") to renew this Lease for up to two (2) additional terms (each, a "**Renewal Term**") of twelve (12) months each at the Minimum Annual Rent set forth in <u>Section 1.1</u> as follows: Tenant shall exercise its Renewal Option no earlier than twelve (12) months prior to the expiration of then expiring Lease Term, and no later than ninety (90) days prior to the expiration of then expiring Lease Term. If exercised, the Renewal Term shall be under the same terms, conditions and covenants contained in this Lease. Tenant shall have no option to renew this Lease beyond the expiration of the last Renewal Term.
- B. <u>Exercise</u>. Failure by Tenant to notify Landlord in writing of Tenant's election to exercise the Renewal Option herein granted within the time limits set forth for such exercise shall constitute a waiver of such Renewal Option.
- C. <u>Extension</u>. Upon exercise of the Renewal Option by Tenant and subject to the conditions set forth hereinabove, this Lease shall be extended for the period of such Renewal Term without the necessity of the execution of any further instrument or document. Any termination of this Lease during the initial Lease Term shall terminate all renewal rights hereunder. The renewal rights of Tenant hereunder shall not be severable from this Lease, nor may such rights be assigned or otherwise conveyed in connection with any permitted assignment of this Lease. Landlord's consent to any assignment of this Lease shall not be construed as allowing an assignment of such rights to any assignee.

EXHIBIT "A" SITE PLAN OF THE CENTER/PREMISES



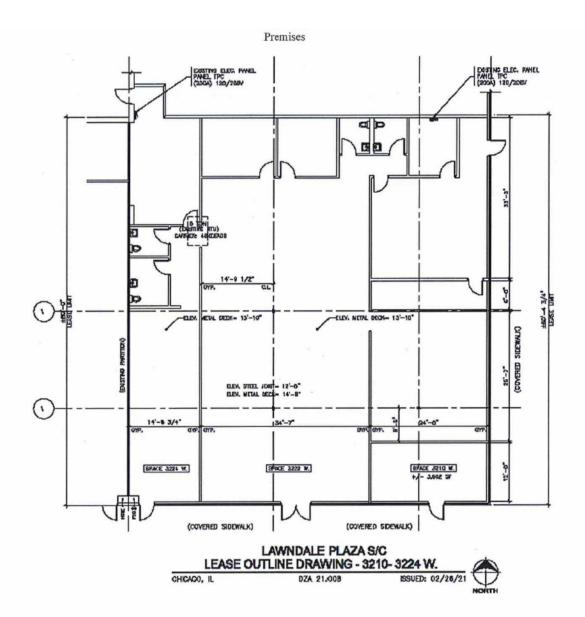


EXHIBIT "B"

SUBORDINATION PROVISIONS FOR STANDARD FORM OF COMMERCIAL (NON-RESIDENTIAL) LEASE

Once Tenant has received written notice identifying the name and address of any lender (a "Lender") holding a mortgage or deed of trust (a "Mortgage") on the property of which these premises form a part (the "Property"), Tenant agrees to notify such Lender by certified mail, return receipt requested, with postage prepaid, of any default on the part of Landlord under this Lease, and Tenant further agrees that, notwithstanding any provisions of this Lease, no cancellation or termination of this Lease and no abatement or reduction of the rent payable hereunder shall be effective unless the Lender has received notice of the same and have failed within thirty (30) days after the time when it shall have become entitled under the Mortgage to remedy the same, to commence to cure such default and thereafter diligently prosecute such cure to completion, provided that such period may be extended, if the Lender needs to obtain possession of the Property to cure such default, to allow the Lender to obtain possession of the Property provided the Lender commences judicial or non-judicial proceedings to obtain possession within such period and thereafter diligently prosecutes such efforts and cure to completion. It is understood that the Lender shall have the right, but not the obligation, to cure any default on the part of Landlord. Tenant agrees that if a Lender shall succeed to the interest of Landlord under this Lease, neither the Lender nor its successors or assigns shall be: liable for any prior act or omission of Landlord; subject to any claims, offsets, credits or defenses which Tenant might have against any prior landlord (including Landlord); or bound by any assignment (except as otherwise expressly permitted hereunder), surrender, release, waiver, amendment or modification of the Lease made without such Lender's prior written consent; or obligated to make any payment to Tenant or liable for refund of all or any part of any security deposit or other prepaid charge to Tenant held by Landlord for any purpose unless the Lender shall have come into exclusive possession of such deposit or charge. In addition, if a Lender shall succeed to the interest of Landlord under this Lease, the Lender shall have no obligation, nor incur any liability, beyond its then equity interest, if any, in the Property.

In the event that a Lender (or any person or entity to whom the Mortgage may subsequently be assigned) notifies Tenant of a default under the Mortgage and demands that Tenant pay its rent and all other sums due under this Lease to the Lender, Tenant shall honor such demand without inquiry and pay its rent and all other sums due under this Lease directly to the Lender or as otherwise required pursuant to such notice and shall not thereby incur any obligation or liability to Landlord.

Tenant agrees and acknowledges that this Lease is subordinate to the lien of any Mortgage, but that, at the Lender's election, this Lease may be made prior to the lien of any Mortgage, and in the event a Lender succeeds to the interests of Landlord under this Lease, then, at the Lender's election (A) Tenant shall be bound to the Lender under all of the terms, covenants and conditions of this Lease for the remaining balance of the term hereof, with the same force and effect as if the Lender were the lessor hereunder, and Tenant does hereby agree to attorn to the Lender as its lessor without requiring the execution of any further instruments immediately upon the Lender succeeding to the interests of Landlord under this Lease; provided, however, that Tenant agrees to execute and deliver to the Lender any instrument reasonably requested by it to evidence such attornment; and (B) subject to the observance and performance by Tenant of all the terms, covenants and conditions of this Lease on the part of Tenant to be observed and performed, the Lender shall recognize the leasehold

estate of Tenant under all of the terms and conditions of this Lease for the remaining balance of the term with the same force and effect as if the Lender were the lessor under the Lease.

Tenant agrees, at any time and from time to time, as requested by Landlord or any Lender, upon not less than ten (10) business days' prior notice, to execute and deliver without cost or expense to the Landlord or such Lender an estoppel certificate certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), certifying the dates to which all fixed or base rent and any additional rent have been paid, and stating whether or not, to the actual knowledge of Tenant, Landlord is in default in the performance of any of its obligations under this Lease, and, if so, specifying each such default of which Tenant may have knowledge, it being intended that any such statement delivered pursuant thereto may be relied upon by any other person with whom Landlord or such Lender may be dealing.

EXHIBIT "C"

CONSTRUCTION OBLIGATIONS

- I. GENERAL
- A. TENANT'S WORK –(See Scope of Work / Plans set forth on Exhibit C-1) ("Tenant's Work").
- B. PRE-CONSTRUCTION AND ON-GOING OBLIGATIONS
 - All plans, diagrams, schedules, specifications and other data relating to Tenant's Work must be furnished by Tenant to Landlord complete, sufficient to obtain a building permit, and ready for Landlord's consideration and final approval within thirty (30) days after execution of this Lease (or at such other time as may be specified in this exhibit).
 - 2. Tenant shall secure Landlord's written approval of all designs, plans, specifications, materials, contractors and contracts for work to be performed by Tenant before beginning the work (including "work letter" instructions, if any, which Landlord may deliver to Tenant in connection with the work) and shall secure all necessary licenses and permits to be used in performing the work. Tenant's finished work shall be subject to Landlord's approval and acceptance which shall be a condition to any reimbursement hereinafter provided. Approval by Landlord does not mean such plans are architecturally sound or comply with law. Tenant's Work shall be subject to the general inspection and approval of Landlord or Landlord's Architect. All Tenant's work shall be coordinated with the general project work. Construction by Tenant shall comply in all respects with applicable federal, state, city and county statutes, ordinances, regulations, laws and codes, including, without limitation, all requirements of the Americans With Disabilities Act.
 - 3. The insurance requirements and indemnity requirements under Article XIV of the Lease shall apply during the construction contemplated in this exhibit, and Tenant shall provide evidence of appropriate insurance coverage prior to beginning any of Tenant's Work. In addition to and without limiting the generality of the immediately preceding sentence, at Landlord's option, Landlord may require that prior to beginning any of Tenant's Work, Tenant shall provide Landlord with evidence of insurance covering both Tenant and Tenant's contractor against damage to their personal property, as well as against third party liability and worker's compensation claims arising out of all construction and associated activities. All policies of insurance shall be subject to Landlord's approval and shall be endorsed showing Landlord and any Mortgagee as an additional named insured (or, if permitted by Landlord, may provide a waiver of subrogation against Landlord).
 - 4. Tenant will be required to satisfy all requirements of the Lease, specifically, but not limited to Article IX.
- C. INTENTIONALLY OMITTED
- D. DESCRIPTION OF TENANT'S WORK

- Signs: Tenant shall pay for all signs and the installation thereof including, without limitation, storefront signage, pylon signage and front and rear door address numbers as specified and detailed by Landlord. Signage approved by Landlord to pylon signs shall be at Tenant's sole expense and shall be performed by a sign contractor approved by Landlord.
- 2. Utilities: All meters or other measuring devices in connection with utility service shall be provided by Tenant. Tenant will also provide all connections to the utility services provided by Landlord. All service deposits shall be made by Tenant at Tenant's expense. Any special provisions necessary to serve a building beyond what is described in Article III above for special telephone services, such as fiber optics, etc., will be at Tenant's sole cost and expense.
- 3. Store Front: Tenant will be responsible for storefront door to match existing storefront. Any doors must be approved by Landlord prior to installation.
- 4. All work undertaken by Tenant shall be at Tenant's expense, and shall not damage the Building or any part thereof. Any roof penetration shall be performed by Landlord's roofer or, at Landlord's option, by a bonded roofer approved in advance by Landlord. The work shall be begun only after Landlord has given written consent, which consent shall in part be conditioned upon Tenant's plans, to include materials acceptable to Landlord. In order to prevent injury to the roof and to spread the weight of the equipment being installed, Tenant shall also be responsible for obtaining, and paying for, professional engineering and inspections of any structural work (including, without limitation, any roof work or concrete work) which inspections are to be performed by Landlord's Structural Engineer, and shall cause the Structural Engineer to issue a written report to Landlord certifying to the acceptability of the work having been inspected.
- 5. Tenant is responsible for the disposal of any trash and/or packaging that is generated during the construction of "Tenant's Work" or during the initial and continual stocking of the store with merchandise. Prior to opening for business, the Tenant must contact the trash removal company for a special pick-up of all packing materials and construction trash. Tenant shall not use the Center dumpsters for this use. The cost of this pick up is the responsibility of the Tenant.
- 6. If required for odor suppression or sound attenuation, Tenant will, at Tenant's sole cost and expense, install insulation and/or vinyl barriers and/or exhaust fans in the demising walls and take such other measures as may be reasonably required by Landlord.
- 7. Tenant will cause all utilities servicing the Premises to be transferred to Tenant's name upon the earlier of (a) the date the Premises are "ready for occupancy" or (b) the date that Tenant takes possession of the Premises. Tenant shall reimburse Landlord for any utility costs incurred by Landlord arising due to a delay in such transfer.
- 8. Submission of Plans: Tenant will prepare and submit to Landlord, at Tenant's sole cost and expense, three (3) sets of plans and specifications and working drawings for the work to be performed to finish the Premises in accordance with this Exhibit

C (the "Tenant's Plans"). As soon as reasonably possible after receipt of Tenant's Plans, Landlord will notify Tenant of any matters to which Landlord objects. Within fifteen (15) days after receipt of any such notice, Tenant will cause Tenant's Plans to be revised to the extent necessary to obtain Landlord's approval and to be resubmitted for Landlord's approval. The above process of submission of Tenant's Plans to Landlord will be repeated until all of Landlord's objections have been satisfied. Tenant will be responsible for obtaining any and all permits, licenses and other governmental approvals and consents necessary or required with respect to Tenant's Plans. Tenant will furnish appropriate copies of Tenant's Plans to any and all governmental agencies and authorities having jurisdiction simultaneously with the submission of Tenant's Plans to Landlord. In no event will Tenant's Plans be approved or deemed approved by Landlord unless and until the same have been approved by all such governmental agencies and authorities.

9. Approval of Plans: When Landlord has approved Tenant's Plans, the same will become a part hereof and will be incorporated herein by this reference for all purposes. After Tenant's Plans have been approved by Landlord, no changes, substitutions or eliminations therein will be made without the prior written approval of Landlord, and Tenant will pay any and all additional costs and expenses (including, but not limited to, architectural, design, engineering, and other professional fees, and construction costs) which may be incurred by Landlord in connection with or as a result of any such changes, substitutions or eliminations.

E. Requirements for Tenant's Contractor:

- All contractors and sub-contractors engaged in the performance of Tenant's Work must be licensed and bondable and will be subject to Landlord' written approval prior to the commencement of Tenant's Work. Tenant will cause its general contractor to perform all work in a manner and at times which do not impede or impact accessibility of consumers to and from any operating establishments within the Center. Any damage to any work caused by Tenant or Tenant's Contractor shall be repaired at the sole cost and expense of Tenant. Tenant will submit to Landlord, via certified or registered mail, at least ten (10) days prior to the commencement of construction, the following information:
 - a. The name and address of Tenant's Contractor, and the names of the plumbing, mechanical, fire sprinkler and electrical subcontractors (if any) to be engaged in the construction of the Premises.
 - b. A project schedule identifying the actual commencement date of construction, the duration of major construction tasks along with expected completion dates, (i.e. structural steel enhancements, concrete pours, roofing modifications, mechanical equipment installation, storefront modifications, fixture installation, etc.) and date of projected opening.
 - c. A construction logistics plan identifying material loading areas, location of construction debris containers and frequency of their removal, locations to be utilized for concrete pumps, concrete trucks, cranes, construction parking, flow of construction traffic, and any other construction related events impacting access and operations within the Center. The

construction logistics plan will also address how Tenant's Contractor intends to fence off construction areas, provide protective barricades, and temporarily reroute pedestrian traffic as necessary to keep public away from any construction related hazards.

- d. Evidence of insurance called for in this Exhibit C.
- e. Copy of all contracts and subcontracts relating to the performance of Tenant's Work.
- f. If required by Landlord, a bond issued by a bonding company approved by Landlord assuring the performance of Tenant's Contractor and the payment of all obligations arising under such contract, wherein Landlord and Landlord's lender are named as co-obligees.
- **F. Performance of Tenant's Work:** All Tenant's Work will be governed by and be subject to the Lease and this Exhibit and the following:
 - 1. All Tenant's Work will be coordinated with the general project work. Construction will comply in all respects with applicable federal, state, city and county statutes, ordinances, regulations, laws and codes, including, without limitation, all requirements of the Americans With Disabilities Act.
 - 2. All required building and other permits in connection with the construction and completion of Tenant's Work will be obtained and paid for by Tenant.
 - 3. Tenant's Work will be subject to the general inspection and approval of Landlord and/or Landlord's Architect, recorded restrictions against the Center, and all governmental requirements. Tenant's Contractor will agree to perform all work under the coordination of Landlord's General Contractor and/or the Landlord's Architect. If, at any time, anyone performing construction work in the Premises on behalf of Tenant will cause disharmony or interference with anyone performing construction work in the Center on behalf of Landlord or any other tenant, Landlord may, upon forty eight (48) hours written notice to Tenant, require Tenant to remove from the Premises and from the Center anyone performing construction work on behalf of Tenant.
 - 4. Tenant will keep the Premises free and clear of all liens and claims of liens in connection with Tenant's Work.
 - 5. Quality Materials. All materials used in the construction and fixturing of the Premises will be new and first-class quality.
 - 6. Tenant's Contractor will not run pipes or conduits over, under, or through other portions of the Center, except as may be directed and approved by Landlord.
 - 7. Certificate of Acceptance: Upon the completion of Tenant's Work, Tenant will issue Landlord a certificate of Tenant's architect or Tenant's Contractor that the work in place conforms in all respects to Tenant's Plans theretofore approved by Landlord.

8. Upon completion of construction of all Tenant's Work in the Premises, Tenant will deliver to Landlord one (1) set of record plans; one (1) set of specifications; and one (1) CD copy of the record plans and specifications, and the issuance of all required certificates of occupancy for the Premises.

G. Miscellaneous:

- 1. Tenant will be responsible for the preservation of good order and discipline among the employees of Tenant and Tenant's Contractor.
- 2. Tenant will maintain the Premises in a clean and orderly condition during construction and merchandising. Tenant will promptly remove all unused construction materials, equipment, shipping containers, packaging, debris and flammable waste from the site. Tenant will keep all construction materials, equipment, fixtures and merchandise shipping containers within the Premises. The Common Areas of the Center are not to be used for Tenant's storage of equipment, merchandise, fixtures, refuse or debris. All trash storage within the Premises will be confined to covered metal containers. If Tenant should be under construction after the opening of the Center, Tenant will erect a suitable barricade at its own cost and expense. Design and location of such barricade will be approved by Landlord in writing.
- 3. Insurance: Tenant will provide or will cause its contractors and sub-contractors to provide insurance in responsible companies licensed to do business in Illinois in favor of Landlord and Tenant, as their respective interests may appear, as follows:
 - a. Liability insurance as required by the Lease.
 - b. Builder's Risk, Completed Value, causes of loss special form fire and extended coverage insurance for the estimated cost of Tenant's Work.
 - c. Worker's Compensation insurance covering all persons employed in connection with Tenant's Work and with respect to whom death or bodily injury claims could be asserted against Landlord or the Premises.
- 4. Indemnity: Tenant will and does hereby agree to indemnify and hold Landlord, its agents and employees, harmless from and against any and all claims, demands, suits and causes of action for injury to person or death and for damage to property, including property of Landlord, arising out of or in any way connected with the construction and installation by Tenant of improvements required hereunder.
- 5. Settlement of Disputes: The decision of Landlord's Architect will be final and binding on both Landlord and Tenant in any disagreement or dispute which may arise between the parties with reference to matters of architectural and aesthetic judgment.

* * *

EXHIBIT C-1

(See Attached Scope of Tenant's Work)

- 1. Apply building standard paint;
- 2. Install building standard carpet / flooring;
- 3. Replace broken ceiling tiles; and
- 4. Perform any work required to bring the Premises into building code compliance.

EXHIBIT "D"

DECLARATION

Covenants and restrictions contained in the following (collectively herein the "Declaration"):

Reciprocal easement and operating agreement recorded April 28, 1997 as Document 97294353 by and between Plitt Theatres, Inc., Lasalle National Bank as Trustee under Trust agreement dated April 1, 1997 known as Trust Number 120884, American National Bank and Trust Company of Chicago as Trustee under Trust Agreement dated April 14, 1978 known as Trust Number 41293 and Lawndale Plaza Limited Partnership, for Ingress, Egress, parking, utilities, construction, maintenance and reconstruction on Land and other property. First Amendment to reciprocal easement and operating agreement recorded May 20, 1998 as Document 98420815.

EXHIBIT "E"

TENANT ESTOPPEL CERTIFICATE

CHICAGO, IL	LLINOIS					
CERTIFICATE	TE OF TENANT					
The ur	undersigned hereby certifies to("Lai	ndlord") as	s follow	s:		
1.						
("Center"), public the u	("Premises"), located at bursuant to that certain lease dated undersigned as tenant ("Tenant"), and Landlord, as Landlord.	, 20	("Leas	e "),		
2.	The Lease is presently in full force and effect.					
	The Lease constitutes the entire agreement between the respect to the Premises, and there are no amendments, we except as follows:					
4.	The undersigned has accepted possession of the Premises.					
5. have been su	All improvements required under the terms of the Lease to lubstantially completed.	be made b	y Landl	ord		
6. Commenceme	The Effective Date of the Lease is, and the Rent Community. The Lease Term expires on	<u>;</u> mencemen	and It Date	the is		
_	As of the date hereof, the current monthly installment of Min	nimum Ann	ual Rer	nt is		
	The amount paid to Landlord by the undersigned as a secur Lease is \$, and the undersigned has pre ever to Landlord applicable to any time period after the date he	epaid no ot				
no events tha	As of the date hereof, to Tenant's actual knowledge, the sor defenses of the undersigned under the Lease against Lar at would constitute a basis for any such offset, counterclaims, or the giving of notice, or both.	ndlord and	there e	xist		
10. and necessar	To Tenant's knowledge, all conditions of the Lease to be peary to the enforceability of said Lease have been satisfied.	erformed b	y Landl	lord		
11. thereunder.	To Tenant's knowledge, there are no defaults by either	Tenant o	r Landl	ord		

12.

The undersigned hereby agrees:

granted by the			right, title or	r interest in th	ne Premises	except the rights
a basis or can default within a under the Lea due diligence, and cure	the Landlo cellation of a reasona se during or is takin the	ord which the I of the Lease ar ble length of til any period thang steps with of default.	Tenant proposed hereby graume. Tenant for at any such had been diligence The	ses to cure and ints to any suc- urther agrees n holder is proce- to obtain the le undersigned	d deduct from h holder the co to to invoke a eding to cure egal right to e hereby	ses of any default rentals, or use as option to cure said any of its remedies such default with nter the Premises acknowledges trust affecting the
EXEC	JTED TH	IS	day of	, 20		
		TENAN ⁻	Γ:			
		By:				
		Name:				
		ı itle:				

EXHIBIT "F"

SIGN CRITERIA

All signage shall be subject to the provisions of the Declaration, Landlord's reasonable consent, and applicable laws.

EXHIBIT "G"

Form of SNDA

ecording Requested By, nd When Recorded Mail To:

rst National Bank of Hutchinson ttn: Darrel W. Miller, cecutive Vice President & hief Lending Officer O. Box 913 utchinson, Kansas 67504

Space above for Recorder's Use

SUBORDINATION NON-DISTURBANCE ATTORNMENT AGREEMENT

This Subordination Non-Disturbance Attornment Agreement ("Agreement") is entered into as of _______, 20______ ("Effective Date"), by and among FIRST NATIONAL BANK OF TCHINSON, a national banking association, with an address at 1 N. Main Street, Hutchinson, KS 01, Attn: Darrel Miller, Executive Vice President & Chief Lending Officer ("Lender"), FRESHWAY WNDALE ERCA, LP, a Delaware limited partnership, and BRIGETTE LLC, a Delaware limited ility company, with an address at c/o ACRE Investment Company, LLC, 4683 Chabot Drive, Suite 220, santon, CA 94588, Attn: Allan Chandler ("Landlord"), and OMBUDSMAN EDUCATIONAL RVICES, LTD., an Illinois corporation, with an address at 1321 Murfreesboro Pike, Suite 702, hville, Tennessee 37217 ("Tenant").

RECITALS

- A. Tenant and Landlord entered into that certain Lease dated May 2, 2024 (as such lease has n amended) ("Lease"), covering certain premises located at Lawndale Plaza Shopping Center, Chicago, tois ("Premises"), within the real property more particularly described in Exhibit A attached hereto roperty").
- B. Lender is the beneficiary of a Mortgage and related documents dated executed and trized by Landlord (Borrower) in favor of Lender ("Security Instrument"), encumbering the Property, ecure a note payable to Lender.
- C. The Security Instrument secures that Promissory Note of the same date ("Note"), which lences a loan ("Loan") to Landlord.
- D. On the terms and conditions in this Agreement, the parties desire to subordinate Tenant's ehold interest in the Premises to the lien of the Security Instrument.
 - E. Lender would not make the Loan to Landlord without this Agreement.

Therefore, in consideration of the mutual covenants and agreements contained in this Agreement, parties agree as follows:

Section 1. Subordination

The Security Instrument securing the Note in favor of Lender, and any modifications, renewals or rasions thereof (including, without limitation, any modifications, renewals or extensions with respect to

any additional advances made subject to the Security Instrument), shall unconditionally be and at all times remain a lien on the Property prior and superior to the Lease.

Tenant intentionally and unconditionally waives, relinquishes and subordinates all of Tenant's right, title and interest in and to the Property to the lien of the Security Instrument and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made by Lender and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

Section 2. Nondisturbance

So long as Tenant is not in default in the payment of rent or in the performance of any of the terms, covenants, or conditions of the Lease beyond any period provided to Tenant to cure a default by the Lease:

- (a) Tenant's possession of the Premises and Tenant's rights and privileges under the Lease, including any extensions or renewals, shall not be diminished or interfered with by Lender during the term of the Lease or any extensions or renewals.
- (b) Lender will not join Tenant as a party for the purpose of termination or otherwise affecting Tenant's interest under the Lease, in any action of foreclosure or other proceeding brought by Lender to enforce any rights arising because of any default under the Security Instrument.

Lender may, however, join Tenant as a party if joinder is necessary under any statute or law to secure the remedies available to Lender under the Security Instrument, but joinder shall be for that purpose only and not for the purpose of terminating the Lease or affecting Tenant's right to possession of the Premises.

Section 3. Attornment

If Lender shall become the owner of the Premises, or if the Premises shall be sold by reason of foreclosure or other proceedings brought to enforce the Security Instrument, or if the Premises shall be transferred by deed in lieu of foreclosure, Tenant shall attorn to Lender or any other such owner as its Landlord, said attornment to be effective and self-operative without the execution of any further instruments. From and after Lender's or other such owner's succession to the interest of Landlord under the Lease, Tenant shall have the same remedies against Lender or such other owner for the breach of any covenant contained in the Lease that Tenant might have had under the Lease against Landlord, except that neither Lender nor any other such owner shall be:

- (a) liable for any act or omission of, or for the performance or lack of performance of the obligation of, or for any damages for defaults by, any prior landlord (including Landlord);
- (b) subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord);
- (c) bound by any prepayment of rent or additional rent which Tenant might have paid for more than the current month or by payment of any security deposits to any prior landlord (including Landlord), except such security deposits as have actually been received by Lender;

- (d) bound by any amendment or modification of the Lease or by any waiver or forbearance on the part of any prior tenant (including Tenant) made or given without the written consent of Lender or any subsequent holder of the Security Instrument if such consent is required by this Agreement; or
- (e) bound by any obligation in the Lease to advance to any prior tenant (including Tenant) a tenant improvement allowance or other amounts to pay or reimburse for improvements made to the Premises; or
 - (f) bound by any representations or warranties of Landlord under the Lease.

Section 4. Limitation on Liability

Lender shall not have any liability or responsibility under or pursuant to the terms of the Lease or this Agreement from the date it ceases to own an interest in or to the Property.

Section 5. No Change in Lease

Landlord and Tenant agree not to change, alter, amend or otherwise modify the Lease without the prior written consent of Lender, which consent shall not be unreasonably withheld or delayed. Any change, alteration, amendment or other modification to the Lease without the prior written consent of the Lender shall be void as to Lender.

Section 6. Insurance and Condemnation Proceeds

In the event of a casualty to all or any portion of the Premises or any of the improvements on the Premises, or a condemnation or taking under a power of eminent domain of all or any portion of the Premises or any of the improvements on the Premises, all payments and settlements of insurance claims or condemnation awards shall be paid to the Lender for the use and application pursuant to the terms and provisions of the Security Instrument.

Section 7. Landlord Default; Notice to Lender

In the event Tenant contends that Landlord has committed a default of the Lease, Tenant will notify Lender in writing concurrently with any notice given to Landlord of any default by Landlord under the Lease, and Tenant agrees that Lender has the right (but not the obligation) to cure any breach or default specified in such notice within the time periods set forth below and Tenant will not declare a default of the Lease, as to Lender, if Lender cures such default within fifteen (15) days from and after the expiration of the time period provided in the Lease for the cure thereof by Landlord; provided, however, that if such default involves a non-monetary obligation and cannot with diligence be cured by Lender within such fifteen (15) day period, the commencement of action by Lender within such fifteen (15) day period to remedy the same shall be deemed sufficient so long as Lender pursues such cure with diligence.

Section 8. Lender Consent Required

Without the prior written consent of Lender, Tenant shall not (a) pay the rent or any other sums becoming due under the terms of the Lease more than one (1) month in advance; (b) accept Landlord's waiver of or release from the performance of any obligation under the Lease; (c) assign the Lease as collateral security or mortgage or otherwise encumber its leasehold interest; or (d) agree with Landlord to terminate the Lease.

Section 9. Notices

Whenever it is required or permitted hereunder that notice or demand be given by any party to another party, that notice or demand shall be given in writing and sent by (i) U.S. certified mail, return receipt requested, (ii) national overnight carrier (i.e., FedEx, UPS), or (iii) personal delivery, addressed to the addresses set forth on page 1 of this Agreement. All notices shall be deemed "received" (a) three (3) days of posting by United States mail, (b) within one (1) day of delivering by overnight carrier, (c) upon actual delivery if delivered personally, or (d) upon the day that rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was received. Any party may change an address given for notice by giving written notice of that change by certified mail to all other parties.

Section 10. Authority

If any party is a corporation, limited liability company or other corporate entity, all individuals executing this Agreement on behalf of a corporation, limited liability company or entity represent and warrant that they are authorized to execute and deliver this Agreement on behalf of the corporation, limited liability company, or partnership and that this Agreement is binding upon the corporation, limited liability company, or partnership.

Section 11. Definitions.

The term "Lender" or any similar term shall include Lender, the trustee under any Security Instrument affecting the Premises, and any agents, heirs, successors or assigns, including any party that succeeds to Landlord's interest by foreclosure of the Security Instrument, of the deed in lieu of foreclosure, or of a sale under a private power contained in the Security Instrument or by any other proceeding. The term "Security Instrument" or any similar term shall include the Security Instrument and any amendments or addenda. The term "Landlord" shall include Landlord and its successors and assigns. The term "Tenant" shall include Tenant and the successors, assigns and sublessees of Tenant. The term "Lease" shall include the Lease and all amendments, addenda, extensions and renewals. The term "foreclosure" shall mean the acquisition of Landlord's interest in the Property by the process of judicial or non-judicial foreclosure, or pursuant to the exercise of any power of sale set forth in the Security Instrument, or by deed (or assignment) given in lieu of or in anticipation of same, or by any other means whatsoever. The term "foreclose" shall mean taking the act of effecting a foreclosure.

Section 12. Miscellaneous.

This Agreement constitutes the complete and exclusive statement of the agreement among the parties with regard to the subject matter herein, superseding all prior and contemporaneous written and oral statements. This Agreement may not be modified other than by an agreement in writing signed by the parties or by their respective successors in interest. If any party commences any action against any other party based on this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees, expenses, and costs of suit. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, successors and assigns. The headings of this Agreement are for reference only and shall not limit or define any meaning of this Agreement. This Agreement may be executed in one or more counterparts, each of which is an original, but all of which shall constitute one and the same instrument. In the event that any provisions of this Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever, the validity of the remainder of this Agreement. Each provision of this Agreement shall be considered severable; and if, for any reason, any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid.

This Agreement has been executed and is performable in the County in which the Property is situated, and shall be governed by and construed in accordance with the internal laws of the State in which the Property is situated, without regard to choice of law principles ("Applicable Law State") and the laws of the United States applicable to transactions within the Applicable Law State. Tenant and Landlord hereby consent to the jurisdiction of, and any proceedings brought under or arising out of this Agreement shall be brought in, any competent court within the County and State in which the Property is situated, and Tenant and Landlord consent to service of process by (i) certified or registered mail, return receipt requested at the address for notices set forth above, or (ii) any means authorized by Applicable Law State.

[SIGNATURE PAGES TO FOLLOW]

The undersigned party has duly ex- Agreement as of the date below.	ecuted this Subordination Non-Disturbance Attornment
LENDER:	FIRST NATIONAL BANK OF HUTCHINSON, a national banking association
	By:
STATE OF KANSAS)) SS.	
COUNTY OF RENO) SS.	
the undersigned, a notary public in and the Executive Vice President & Chief Len HUTCHINSON, a national banking association.	day of, 2024, before me, for said County and State, came Darrel W. Miller, ding Officer of FIRST NATIONAL BANK OF ation, who is personally known to me to be the same alf of and with authority of said bank, and such person me to be the free act and deed of said bank.
Notar	y Public
•	
My commission expires:	

The undersigned party has duly exc Agreement as of the date below.	ecuted this Subordination Non-Disturbance Attornmen
LANDLORD:	FRESHWAY LAWNDALE ERCA, LP, a Delaware limited partnership
	By: Lawndale Inline ERCA GP, LLC, a California limited liability company, Its: General Partner
	By:
A notary public or other officer completing certificate verifies only the identity of the incomposition who signed the document to which this certificattached, and not the truthfulness, accurate validity of that document.	lividual cate is
STATE OF CALIFORNIA)	
COUNTY OF	
On ,	2024 before me
	(here insert name of the officer), Notary
instrument and acknowledged to me that he capacity(ies), and that by his/her/their signature(of which the person(s) acted, executed the instru	
I certify under PENALTY OF PERJURY und paragraph is true and correct.	ler the laws of the State of California that the foregoing
WITNESS my hand and official seal.	
	Signature of Notary Public
[Seal]	

	BRIGETTE LLC, a Delaware limited liability company
	By: Hershey Farm Company, L.P., a New York limited partnership, Sole Member
	By: MZ Hershey LLC, a Pennsylvania limited liability company, General Partner
	By: Robert L. Zelman, Manager
STATE OF)
STATE OF) ss:)
On , 2024	before me,
(here insert name of	before me,
acknowledged to me that he/she/they	on(s) whose name(s) is/are subscribed to the within instrument and vexecuted the same in his/her/their authorized capacity(ies), and that strument the person(s), or the entity upon behalf of which the person(s)
I certify under PENALTY OF PER foregoing paragraph is true and corre	RJURY under the laws of the State of that the cet.
WITNESS my hand and official seal	
	Signature of Notary Public
[Seal]	

[Seal]

satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument a acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and the by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of that the foregoing paragraph is true and correct.	The un- Agreement as of			s duly	executed t	his Subo	rdination Nor	n-Disturbance	Attornmen
STATE OF	TENANT:							NAL SERVIO	CES, LTD.
On					By: Name: Title: _				
On	STATE OF)	ss:				
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument a acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and the by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of that the foregoing paragraph is true and correct. WITNESS my hand and official seal.									
acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and the she/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of that the foregoing paragraph is true and correct. WITNESS my hand and official seal.						,	who proved	to me on t	ne basis o.
foregoing paragraph is true and correct. WITNESS my hand and official seal.	acknowledged to by his/her/their s	o me that he signature(s)	/she/the on the in	y execu	ited the sam	e in his/he	r/their authori	zed capacity(i	es), and tha
					under the	laws of t	he State of _		that the
Signature of Notary Public	WITNESS my h	and and off	icial seal	l.					
							Signature of N	otary Public	

EXHIBIT A

PROPERTY DESCRIPTION

EXHIBIT "H"

Outlot Plan

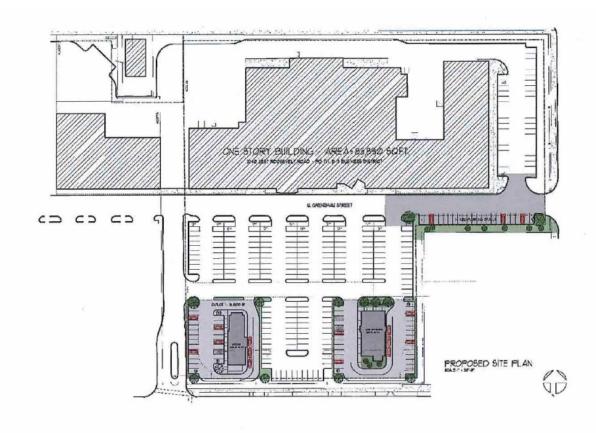


EXHIBIT "I"

CAM Exclusions

- 1. <u>Taxes</u>. All transfer, gains, excise, inheritance, estate, succession, gift, corporation, unincorporated business, gross receipts, franchise, or general or net income taxes imposed upon Landlord (as opposed to rents, receipts or income attributable to operations at the Building).
- 2. <u>Mortgage/Financing Costs</u>. Secured loan amortization and interest, costs relating to acquiring or negotiating equity contributions, costs and charges incurred in obtaining any public or private financing, and refinancing or loan modifications.
- 3. <u>Ground Lease</u>. Any rental payments and related costs pursuant to any ground, underlying or superior leases of the real property underlying all or any portion of the Building or Center.
- 4. <u>Legal and Code Compliance</u>. The costs of complying with legal requirements enacted and enforced prior to the Commencement Date.
- 5. <u>Building Defects</u>. Any costs incurred in connection with the original design, construction, and landscaping of the Building or Center and any correction of defects in the original design or construction, or both, of the Building or Center, including replacement of defective equipment.
- 6. <u>Hazardous Material</u>. Except to the extent related to the general repair and maintenance of the Center, any costs or expenses related to the monitoring, testing, removal, cleaning, abatement or, remediation of any hazardous materials in or about the Building or Center or the real property, and including, without limitation, hazardous materials in the ground water or soil to the extent present on the Commencement Date caused by the acts or omissions of Landlord or any other person or entity.
- 7. <u>Fines and Penalties</u>. Any fines, costs, late charges, liquidated damages, penalties, tax penalties, or related interest charges imposed on Landlord or Landlord's managing agent.
- 8. <u>Legal and Accounting</u>. Fees relating to: (a) disputes with tenants, prospective tenants or other occupants of the Building/Center, including lease takeover or lease take back costs; (b) disputes between Landlord and members, partners, or affiliates of Landlord; (c) disputes with purchasers, prospective purchasers, mortgagees, or prospective mortgagees of the Building/Center or the real property on which the Building/Center is located or any part of either; or (d) negotiations of leases, mortgages, or other security instruments, or contracts of sales or transfers of all or any portion of the Building/Center or any interest therein by any person of any tier owning an interest therein.
- 9. Reserves. Any unreasonable reserves of any kind.

- 10. <u>Concessionaires</u>. Any compensation or benefits paid to or provided to clerks, attendants, or other persons in commercial concessions operated by or on behalf of Landlord.
- 11. <u>Benefits to Others</u>. Expenses in connection with services or other benefits which are provided directly and exclusively to another tenant or occupant of the Building/Center and which do not benefit Tenant.
- 12. <u>Reimbursements</u>. Any cost of any service or items sold or provided to tenants or other occupants for which Landlord or Landlord's managing agent has been or is entitled to be reimbursed by such tenants or other occupants for such service or has been or is entitled to be reimbursed by insurance or otherwise compensated by parties other than tenants of the Building/Center to include replacement of any item covered by a warranty.
- 13. <u>Leasing</u>. Any costs relating to the marketing, solicitation, negotiation, and execution of leases of space in the Building/Center, including without limitation, promotional and advertising expenses, commissions, finders' fees and referral fees, legal fees and expenses relating to the negotiation and preparation of any lease, sublease, or other occupancy document, tenant improvement costs for tenant or other occupant space, the amount of any allowances or credits paid or granted to tenants or other occupants of any such design or construction, and all other costs of alterations of space in the Building/Center leased to or occupied by other tenants or occupants.
- 14. Capital Improvements. Other than Permitted Capital Depreciation (defined below), the costs of capital maintenance, improvements, or replacements, the costs of any capital leases or rental items, and the architectural and engineering fees for such excludible items shall be excluded from common area expenses. "Permitted Capital Depreciation" shall mean any capital improvement which is: (a) is reasonably intended to result in a reduction in operating expenses (for example, a labor saving improvement) provided the amount included in common area expenses during any calendar year shall not exceed an amount equal to the savings reasonably anticipated to result from the installation and operation of such improvement; and/or (b) is made during any calendar year in compliance with laws first enacted or enforced after the Commencement Date. Such Permitted Capital Depreciation shall be amortized (with interest accruing on the unamortized portion thereof at the "prime rate" then-published by the Wall Street Journal in effect at the time such improvements are substantially completed per annum) on a direct reduction basis over its useful life, as determined in accordance with GAAP, and the amount included in common area expenses in any calendar year of the Term (until such improvement has been fully amortized) shall be equal to the annual amortized amount.
- 15. Executive/Unrelated Salaries. Wages, salaries, fees, fringe benefits, and any other forms of compensation paid to any executive employee of Landlord and/or Landlord's managing entities or partners above the grade of Building manager, as such term is commonly understood in the property management industry, provided, however, all wages, salaries, and other compensation otherwise allowed to be included in common area expenses shall also exclude any portion of such costs related to any employee's time devoted to other efforts unrelated to the maintenance, accounting, management, and operation of the Building/Center.

- 16. <u>Arm's Length Transactions</u>. Any amount paid by Landlord or Landlord's managing agent to a subsidiary or affiliate of Landlord or Landlord's managing agent, or to any party for management or other services to the Building/Center, or for supplies or other materials, to the extent the costs of such services, supplies, or materials exceed the costs that would have been paid had the services, supplies, or materials been provided by parties unaffiliated with Landlord or Landlord's managing agent on an arm's-length basis.
- 17. <u>Management Fees</u>. Management fees greater than three percent 3% of the gross rentals collected for the Center.
- 18. <u>General Corporate Overhead</u>. General corporate overhead for Landlord and Landlord's managing agent.
- 19. <u>Parking Garage</u>. Any charges associated with maintaining and operating the parking garage of any kind or nature.
- 20. <u>Electricity</u>. The costs of electrical energy furnished directly to Tenant and other tenants of the Building/Center, and the costs and expenses of providing any additional meters for space leased in the Building/Center to third parties.
- 21. <u>Air Rights</u>. Costs incurred in connection with the acquisition or sale of air rights, transferable development rights, easement, or other real property interests.
- 22. <u>Breach of the Lease</u>. Costs incurred by Landlord resulting from Landlord's or other tenant's breach of the Lease, Landlord's negligence or willful misconduct, or Landlord's indemnification of any tenant of the Building/Center pursuant to the provisions of such tenant's lease.
- 23. Exhibit H. Any construction costs associated with the Exhibit H improvements.

Lawndale Plaza Lease - Ombudsman FINAL

Final Audit Report 2024-05-03

Created: 2024-05-03

By: Paul Bloomfield (pbloomfield@krgre.com)

Status: Signed

Transaction ID: CBJCHBCAABAAeVnYilTu6gM_TWsUzr0wkwmg5c8Thads

"Lawndale Plaza Lease - Ombudsman FINAL" History

Document created by Paul Bloomfield (pbloomfield@krgre.com) 2024-05-03 - 1:53:25 PM GMT

Document emailed to Raj Kaushal (rkaushal@chancelight.com) for signature 2024-05-03 - 1:53:32 PM GMT

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2024-05-03 - 2:52:32 PM GMT

Signer Raj Kaushal (rkaushal@chancelight.com) entered name at signing as Raj Kaushal 2024-05-03 - 2:54:06 PM GMT

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Signature Date: 2024-05-03 - 2:54:08 PM GMT - Time Source: server

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