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UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

MCK Millennium Centre Retail LLC)	Chapter 11
Debtor)	
)	Case No. 16-06369
)	
)	Hon. Jack B. Schmetterer

NOTICE OF MOTION

PLEASE TAKE NOTICE that on Friday, May 26, 2017, at the hour of 11:30 a.m., I shall appear before the Honorable Jack B. Schmetterer or any judge sitting in his stead, in Courtroom 682 of the United States Courthouse, 219 S. Dearborn Street, Chicago, Illinois and then and there present DEBTOR'S 4th MOTION FOR AUTHORITY TO ENTER INTO A LEASE AGREEMENT AND SHORTEN NOTICE, which is attached.

Respectfully submitted,

By: /s/ Jonathan D. Golding Attorney for the Debtor

Jonathan D. Golding, Esq. (ARDC# 6299876) THE GOLDING LAW OFFICES, PC 500 N. Dearborn Street, 2nd Floor Chicago, IL 60654

Tel: (312) 832-7892 Fax: (312) 755-5720

Email: jgolding@goldinglaw.net

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a copy of the attached DEBTOR'S 4th MOTION FOR AUTHORITY TO ENTER INTO A LEASE AGREEMENT AND SHORTEN NOTICE with attached proposed order to be filed with the Clerk of the U. S. Bankruptcy Court, Northern District of Illinois, using the CM/ECF filing system on this May 19th, 2017, served by electronic mail to registered parties and by deposit with US Mail 1st class prepaid to the parties on the following notice list:

VIA US MAIL:

VIA ELECTRONIC MAIL:

paul@1stwesternproperties.com

Paul Tsakiris

ComEd Bankruptcy Dept. P.O. Box 87522 Chicago, IL 60680

Chicago, IL 60680

Craig Shaffer & Assoc. Ltd.
craig@csaccountants.com

Internal Revenue Service

District Director

Law Office of Arnold H. Landis PC

District Director 230 S. Dearborn Street Chicago IL 60651

Elliot & Associates joanne@elliottlaw.com

alandis@landislaw.net

VIA ECF:

Millenium Centre Facilities c/o Marshall N. Dickler marshall@dicklerlaw.com

Kraft Law Office 1919 S. Highland, Ste. D124 Lombard IL 60148

/s/Jonathan D. Golding

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IN THE UNTIED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

)	
)	Chapter 11
In Re:)	
)	16-06369
MCK Millennium Centre Retail, LLC)	
)	Honorable Jack B. Schmetterer
Debtor)	

4th MOTION FOR AUTHORITY TO ENTER INTO A LEASE AGREEMENT AND SHORTEN NOTICE

NOW COMES MCK Millennium Centre Retail LLC, Debtor and Debtor-In-Possession, ("Debtor") pursuant to §363 of the United States Bankruptcy Code and Rule 4001 of the Federal Rules of Bankruptcy Procedure, move this Court for the entry of an order authorizing it to enter into a certain prosed lease agreement with Sapori Antichi International Import, Inc., an Illinois corporation ("tenant") and in support thereof respectfully states as follows:

I BACKGROUND AND JURISDICTION

- 1. On February 25, 2016, Debtor filed his voluntary petition for relief under Chapter 11 of Title 11, United States Code ("Code"). Debtor has continued to operate his business and manage his business and personal affairs as a Debtor-in-Possession pursuant to §1107 and §1108 since that date.
- 2. No official committee of unsecured creditors has been appointed in this Chapter 11 case.
- 3. This Court has jurisdiction over this motion pursuant to 28 U.S.C. §1334 and General Rule 2.33 of the Local General Rules of the United States District Court for the Northern District of Illinois. This proceeding is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(A) and (M). Venue is proper in this district pursuant to 28 U.S.C. §1408. The statutory predicates for the relief sought herein are §105 and §363 of the Bankruptcy Code and Rule 4001 of the Federal Rules of Bankruptcy Procedure.

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4. The Debtor is in the business of operating condominium retail space located at 33 W. Ontario Street, Chicago, IL 60654 (the "Retail Parcel") and as such ordinarily and necessarily enters into leases granting tenants spaces and rights that affect the property for periods in excess of five years. Although entering into such leases upon negotiated terms and conditions are generally in the ordinary course of its business, out of an abundance of caution and for the clear protection of the rights of its tenant, the Debtor presents this Motion.

II. RELIEF REQUESTED

- 5. The Debtor has entered into a certain lease, subject to the approval of the Court, to let specific space located at 22 W. Ohio Street within the Retail Parcel which consists of approximately 2,308 square feet at a market rental, with payments commencing in the fourth month. The term of the lease is for 5 years after the lease Commencement Date and further grants certain options to renew. The general terms of the lease are on a triple net basis. A copy of the lease documents are appended hereto and made a part hereof as Exhibits A-D (together, the "Lease") The definition of any of the lease terms therein shall control to the extent that anything contained in this motion is inconsistent with provisions of the Lease.
- 6. It is the Debtor's considered business opinion that the Lease is highly beneficial to the future operation and value of the Debtor's real property and benefits its estate and its creditors, including its secured creditor.
- 7. Given that this lease is being entered into in the ordinary course of the Debtor's business and therefore should not be subject to the twenty-one-day notice requirement of FRBP 2002(a)(2), and given that time is of the essence for the lessee, seven days notice should be sufficient.

WHEREFORE, MCK Centre Retail, LLC, Debtor, prays the entry of an order as follows:

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(i) authorizing the Debtor to execute the Lease which is appended to this Motion and perform its obligations thereunder; and, (ii) deeming seven days notice to be sufficient; and, (iii) for any further relief that the court deems just.

Respectfully submitted,

MCK Millennium Centre Retail, LLC

By:/s/ Jonathan D. Golding

Jonathan D. Golding

Jonathan D. Golding, Esq. (ARDC# 6299876) THE GOLDING LAW OFFICES, PC 500 N. Dearborn Street, 2nd Floor Chicago, IL 60654

Tel: (312) 832-7892 Fax: (312) 755-5720

Email: jgolding@goldinglaw.net

LEASE

THIS LEASE (this "Lease") is made and entered into effective this 19th day of May, 2017 by and between MCK MILLENNIUM CENTRE RETAIL, LLC, an Illinois limited liability company ("Landlord"), and SAPORI ANTICHI INTERNATIONAL IMPORT, INC., an Illinois Corporation ("Tenant"). Landlord and Tenant are collectively referred to herein as the "Parties". The Parties hereby mutually covenant and agree as follows:

ARTICLE I GRANT, TERM AND BASIC LEASE PROVISIONS

1.0 Grant.

- Landlord, for and in consideration of the Rents to be paid and of the covenants and (a) agreements herein contained on the part of Tenant to be performed, hereby leases to Tenant, and Tenant hereby lets from Landlord approximately 2308 square feet on the ground level located at 22 West Ohio Street, Chicago, Illinois 60610 (the "Leased Premises") in the building (the "Building") commonly known as Millennium Centre on the land located at Ohio and Ontario between State and Dearborn Streets in the City of Chicago, Illinois (the land, together with the Building, hereinafter called the "Property"). The Leased Premises shall also include the right to use the exterior sidewalk space adjacent to the Leased Premises as an outdoor seating area (the "Outside Space"), if available for use, and permitted and approved for Tenant use by the City of Chicago. If so available and approved, Tenant shall be permitted (in accordance with all applicable laws and ordinances) to use the Outside Space for no additional rent, provided, however, that the Outdoor Space seating design and space utilized shall be subject to the written approval of Landlord, which such approval shall not be unreasonably withheld. The Tenant's space plans for the leased Premises and any Tenant signage shall also be subject to pre-approval by Landlord; which such approval shall not be unreasonably withheld or delayed. Tenant shall be responsible, at its sole cost and expense, for any permitting required by the City of Chicago related to outdoor space and seating. Landlord makes no representation that Tenant will be able to obtain such Sidewalk Café Permit. Notwithstanding the aforementioned, it is understood that Tenant is solely responsible for all costs and expenses associated with obtaining and maintaining such Sidewalk Café Permit and outdoor space.
- (b) Tenant acknowledges that the Leased Premises constitute a part of a mixed use development project composed of retail uses, residential uses and parking uses (the "Mixed Use Project"). The Leased Premises constitutes a part of that portion of the Mixed Use Project designated for retail use (the "Retail Portion"). As part of the Mixed Use Project, Tenant acknowledges that Tenant and the Leased Premises are and shall be subject to all of the terms, conditions, obligations and restrictions as imposed by a certain Operation and Reciprocal Easement Agreement dated July 11, 2003, as may be amended from time to time (the "REA") recorded by Landlord and applicable to all parties to the Mixed Use Project, a copy of which shall be made available to Tenant upon request.

- (c) Tenant shall be granted non-exclusive access to and use of the Building's loading docks, doors, retail trash compactor, platforms, staging areas and other common areas serving the Retail Portion, in accordance with the terms and conditions contained in the REA. Tenant shall keep all trash within the Leased Premises until placed in the trash compactor.
- 1.1 <u>Term.</u> The term of this Lease shall commence on the "Commencement Date" (as defined in Section 2.2) and shall continue for a period of five (5) years unless sooner terminated as herein set forth ("Initial Term") or extended ("Renewal Term") as set forth in that certain Lease Extension Option Agreement executed by Landlord and Tenant concurrently with this Lease (the "Termination Date"). The Initial Term and the Renewal Term (if any) are hereafter individually and collectively referred to as the "Term".
- Basic Lease Provisions. Commencing with the Commencement Date, Tenant shall 1.2 pay to Landlord minimum annual rent determined as provided in Article IV hereafter. Such minimum annual rent shall be in addition to the Taxes and Adjustments as defined and provided for in Article V hereof, CAM Charges as defined and provided for in Article IX, Utilities as defined and provided for in Article XII, and all of the other payment obligations of Tenant as elsewhere identified and provided for herein. It is the intention of Landlord and Tenant that this is a "triple net lease" and that the Minimum Annual Rent (as hereinafter defined) and the Additional Rent (as hereinafter defined) shall be paid to Landlord absolutely net and without any deduction whatsoever, except as otherwise specifically provided for in this Lease. Except as otherwise specified in this Lease, all charges and expenses of every kind and nature and all obligations and liabilities of every kind and nature relating to the Leased Premises or the use or occupancy of the Leased Premises, which may arise or become due or payable during the Term of this Lease shall be paid directly or indirectly by Tenant. Nothing herein contained however shall be deemed to require the Tenant to pay or discharge any liens or mortgages of any character whatever which may be placed upon the Leased Premises by Landlord or by a creditor of Landlord.

ARTICLE II POSSESSION, CONDITION & COMMENCEMENT DATE

- 2.0 <u>Possession of the Leased Premises.</u> Landlord shall deliver possession of the Leased Premises on the Commencement Date in accordance with the terms herein, subject to the payment of the Security Deposit by Tenant, execution of a Guaranty by Agostino & Eugenia Meranda, and the execution of a Lease Extension Option Agreement.
- 2.1 <u>Condition of Leased Premises.</u> Landlord shall provide Tenant with the Leased Premises in its "as is" condition. Tenant has had an opportunity to inspect and examine the Leased Premises and accepts same.
- 2.2 <u>Lease Commencement Date.</u> The Lease Commencement Date ("Commencement Date") shall be two business days after the date the Landlord obtains approval of this Lease by the Bankruptcy Court for the Northern District of Illinois under case number 16-06369 (the

"Bankruptcy Court"). Should the Lease not be approved by the Bankruptcy Court, then this Lease shall be deemed void and of no force or effect.

2.3 Tenant Alterations, Additions or Improvements. Tenant shall, at its sole cost and expense, perform such alterations, modifications and improvements to the Premises as Tenant desires for the purpose of operating Tenant's business (at times herein also known as "Tenant's Work"). Tenant will not make or allow to be made any alterations, physical additions or improvements in or to the Premises without first obtaining Landlord's written consent, which consent may be granted or withheld in the sole but reasonable discretion of Landlord. However, no alterations or modifications can be made to the exterior of the Building. Tenant shall promptly furnish Landlord with copies of all plans and specifications for any proposed alterations, additions or improvements to the Premises for Landlord approval (not to be unreasonably withheld or delayed) and, if requested in advance, Tenant shall reimburse Landlord for its reasonable costs to review such plans. If Landlord notifies Tenant of any required modifications, Tenant shall revise the plans and specifications appropriately and resubmit to Landlord, and this process shall be repeated until such plans and specifications are approved. All costs of any such alterations, additions or improvements shall be borne by Tenant. All alterations, additions or improvements must be made in good, first class, workmanlike manner that does not disturb other tenants (i.e.: any loud work must be performed during non-business hours) and Tenant must maintain adequate liability and builder's risk insurance throughout construction sufficient to avoid any loss to Tenant and Landlord. Tenant does hereby indemnify, defend and hold Landlord harmless from and against all claims for damage or destruction of property arising out of the performance of any such alterations, additions or improvements made by or on behalf of Tenant. Under no circumstances shall Landlord be required to pay during the term of this Lease and any extensions or renewals thereof, any ad valorem or property tax on such alterations, additions or improvements. Tenant hereby agrees to pay all ad valorem or property taxes when they become due. In the event any alterations, additions, improvements or repairs are to be performed by contractors or workmen other than Landlord's contractors or workmen then Landlord must first approve Tenant's contractors or workmen, in writing, which approval shall not be unreasonably delayed or denied. Landlord agrees to assign to Tenant any rights it may have against the contractor or workmen of the Premises with respect to any work performed by said contractor or workmen in connection with improvements made by Landlord at the request of Tenant. Tenant shall submit its plans as soon as reasonably possible to the City of Chicago to obtain proper permit(s) when necessary for: (i) the alterations, additions or improvements, (ii) the Leased Premises and/or (iii) the Building. Tenant agrees to use reasonable commercial efforts to process, expedite and obtain the receipt of said permit(s), including using a qualified third party expediter to handle the application process. Tenant shall commence the alterations, additions or improvements promptly following receipt of the permit(s) and shall proceed diligently to timely complete the alterations, additions or improvements. All alterations, additions or improvements shall also be done in accordance with all applicable terms and conditions of the Lease relating to Alterations, including those set forth in Section 9.1 below. The Tenant's Work shall also comply with the REA and all applicable laws, regulations, ordinances, and building codes.

Tenant shall maintain, at all times when any work is in process in connection with any alterations, additions or improvements, commercial general liability insurance for the benefit of the Landlord and its agents, the Landlord's lender, and the Tenant and its contractors, agents and employees, as their interests may appear, along with builder's risk insurance and all other coverage required by this Lease.

Upon completion of any alterations, modifications and/or improvements to the Premises by or on behalf of Tenant, Tenant shall provide Landlord with such documents as Landlord may reasonably require (including, without limitation, sworn contractors' statements and supporting lien waivers) evidencing payment in full for such work, and "as built" working drawings, if obtained. In the event Tenant performs any work not in compliance with the provisions of this Lease, Tenant shall, upon written notice from Landlord, promptly correct such work. If Tenant fails to promptly correct such work within thirty (30) days after receiving written notice of such noncompliance from Landlord or such longer period of time as may be reasonably required to correct such work, then in addition to all other rights or remedies of Landlord under this Lease, at law or in equity, Landlord may enter the Premises and perform said obligation of Tenant and Tenant shall pay Landlord for the reasonable cost to the Landlord thereof, immediately upon being billed therefor by Landlord. Such entry by Landlord shall not be deemed an eviction or disturbance of Tenant's use or possession of the Premises nor render Landlord liable in any manner to Tenant. Tenant shall provide to Landlord a copy of the certificate of insurance for its general contractor, naming Landlord, Landlord's agents and Landlord's Lender as additional insureds.

Tenant represents and warrants that no financing shall be placed against Tenant's Work. Tenant shall, at its sole cost and expense, furnish to Landlord a performance bond, issued by a surety company approved by Landlord, in an amount equal to the estimated cost of such changes or alteration, together with a payment bond, in an amount reasonably satisfactory to Landlord, or shall otherwise furnish to Landlord other security satisfactory to Landlord which guarantees the completion of the proposed alterations, additions or improvements.

ARTICLE III PURPOSE

3.0 <u>Purpose.</u> Tenant shall use and occupy the Leased Premises for the purpose of operating an upscale, Café, Trattoria, Gelateria and Wine Bar serving Coffee(i.e. Espresso, Cappuccino, Latte, Cold Brew, Pour Over Coffee); Italian Breakfast Pastries; Panini; Fresh made Pasta; Cicchetti (Italian Small Plates); Pizza Al Taglio; Gelato; Sorbet; Bomboloni (Italian Fried Donuts); Italian Desserts; as well as the alcoholic beverages (subject to obtaining and maintaining a valid liquor license in dram shop insurance as further defined herein). Current or future menus of Tenant shall not conflict with existing concepts or menus of existing Tenants in the Building. Tenant shall have the right to change the concept and name of the café only with prior written consent of Landlord. The new concept must be of comparable quality to the previous concept. No change in use shall violate an exclusive use then granted by Landlord or its affiliates to other tenants. No use by Tenant shall (a) violate any certificate of occupancy or law, ordinance or other governmental regulation in effect from time to time affecting the Leased Premises or the use thereof, (b) cause injury to the improvements, (c) constitute a nuisance or waste, (d) authorize

Tenant to use, treat, store or dispose of hazardous or toxic materials on the Leased Premises other than such quantities of cleaning materials, fluorescent light bulbs, batteries and other similar materials which may be hazardous and which are commonly used in businesses similar to that of Tenant's, or (e) render the insurance on the Leased Premises void or the insurance risk more hazardous.

3.1 Operation of Business. Throughout the Term of this Lease, Tenant shall operate its business in the Leased Premises for no less than eight (8) hours per day, at least six (6) days per week; provided that Tenant shall not be obligated to operate its business in the Leased Premises (i) on national holidays, (ii) during any period when Tenant is restoring or remodeling (for a period not to exceed 90 days) the Leased Premises in accordance with this Lease after any damage or destruction or other reasonable periods for cleaning or renovations, and (iii) during periods when Tenant is prevented from operating its business due to events of Force Majeure. Subject to the foregoing provisions, Tenant shall continuously operate the Leased Premises as a restaurant and as otherwise required under this Lease. In any event, Tenant shall not have the right to terminate this Lease if Tenant is prohibited by any governmental authority from operating its business in the Leased Premises.

ARTICLE IV RENT

4.0 <u>Rent.</u>

(a) Tenant shall pay Landlord minimum annual rent ("Minimum Annual Rent") as set forth below:

Time Period	Monthly Rent	Annualized Rent
Months 01-03	\$ 0.00	\$ 0.00
Months 04-12	\$7,116.33	\$64,046.97
Months 13-24	\$7,258.66	\$87,103.92
Months 25-36	\$7,403.83	\$88,846.00
Months 37-48	\$7,551.91	\$90,622.92
Months 49-60	\$7,702.95	\$92,435.38

- (b) For purposes of this Lease, Minimum Annual Rent and Additional Rent (as hereinafter defined) shall sometimes be collectively referred to as "Rent".
- (c) All Rent shall be due and payable on the first day of each month during the Term of this Lease. If Rent payments commence on any day other than the first day of the month, the Rent payment for such month shall be due on the Commencement Date. If Rent payments commence on any day other than the first day of the month or this Lease terminates on any day other than the last day of the month, the monthly installments for such affected month shall be prorated based on the number of days in said month

- 4.1 <u>Lease Year.</u> The term "Lease Year" as used herein shall be defined to mean a period of twelve (12) consecutive calendar months. Notwithstanding the Commencement Date of this Lease, the first full Lease Year shall begin on January 1 following the Commencement Date. The period between the Commencement Date and January 1 of the first day of the first full Lease Year following the Commencement Date and the period between the last day of the last full Lease Year and the Termination Date shall be deemed a "Partial Lease Year." Tenant shall pay Landlord Minimum Annual Rent and Additional Rent on a prorata basis for any such Partial Lease Year.
- 4.2 <u>Address for Rent Payments.</u> Rent shall be paid to or upon the order of Landlord at the Landlord's address set forth in Section 22.4 below. Landlord shall have the right to change its address for payment of such rent by giving written notice thereof to Tenant.
- 4.3 Additional Rent Due. Tenant's obligations to pay other amounts due under this Lease including, but not limited to, any amounts due for Taxes and Adjustments under Article V, CAM Charges under Article IX, and Utilities under Article XII shall be payments as and for additional rent ("Additional Rent"). Furthermore, in the event that Landlord makes any payment on behalf of Tenant pursuant to this Lease or incurs legal fees for which Tenant is responsible then Tenant's obligation to pay or reimburse Landlord the same shall be deemed an obligation to pay Additional Rent. As of the effective date written above, CAM Charges for calendar year 2017 are currently being assessed at the estimated amount of \$6.50 per square foot and Taxes are currently being assessed at the estimated amount of approximately \$10.75 per square foot subject to any future adjustment(s) as contemplated herein.

ARTICLE V SECURITY, TAXES, ADJUSTMENTS, AND DEPOSITS

5.0 Security.

- (a) On or before the Commencement Date, Tenant shall deposit with Landlord the amount of \$30,000.00 as a security deposit (the "Security Deposit"). The Security Deposit shall be held by Landlord as security for the faithful performance of all the covenants, obligations and agreements of Tenant hereunder. Provided that Tenant shall not be in default of any of the terms and provisions of this Lease, the Security Deposit shall be returned to Tenant not more than forty-five (45) days after the end of the Term. Landlord shall promptly send Tenant an itemized statement of any deductions made from the Security Deposit. Any purchaser of Landlord's interest in the Retail Portion or Landlord's interest in this Lease shall be deemed to have assumed the obligation to return the Security Deposit in accordance with the terms hereof.
- (b) Agostino & Eugenia Meranda shall sign a guaranty of this Lease, in the form which is attached hereto as Exhibit A.
 - 5.1 Taxes and Adjustments.
 - (a) Tenant shall timely pay, as Additional Rent for the Leased Premises, its Pro Rata

Share (as hereinafter defined) of all taxes and assessments, general and special, water rates and all other impositions, ordinary and extraordinary, of every kind and nature whatsoever, which may be levied, assessed, charged or imposed during the Term of the Lease upon the Retail Portion or any part thereof, or upon any improvements at any time situated thereon ("Taxes"); provided that Tenant shall be obligated to pay only those Taxes which accrue during the Term of this Lease even if payable after the Termination Date, with all such Taxes to be prorated based upon the Commencement Date and Termination Date of this Lease.

- (b) If at any time during the Term of this Lease the method of taxation prevailing at the Commencement Date shall be altered so that any new tax, assessment, levy, imposition or charge, or any part thereof, shall be measured by or be based in whole or in part upon the Lease, or the Leased Premises, or the Rent, or other income therefrom and shall be imposed upon Landlord, then all such taxes, assessments, levies, impositions, or charges, or the part thereof, to the extent that they are so measured or based, shall be deemed to be included within the term "Taxes" for the purposes hereof to the extent that such Taxes would be payable if the Leased Premises were the only property of Landlord subject to such Taxes, and Tenant shall pay and discharge the same as herein provided in respect of the payment of Taxes. There shall be excluded from Taxes all federal income taxes, state and local income taxes, federal excess profit taxes, franchise, capital stock and federal or state estate or inheritance taxes of Landlord. Landlord agrees to use reasonable efforts to ensure the Taxes are fairly assessed and agrees to file a protest or appeal if commercially reasonable. In the event Landlord fails to do so, Tenant shall have the right to contest or protest the Taxes.
- (c) In addition to the Rent required to be paid pursuant to Article IV hereof, and commencing at the same time as Minimum Annual Rent commences under this Lease, Tenant shall pay to Landlord as Additional Rent its Pro Rata Share of any "Adjustments". For purposes of this Lease, the term "Adjustments" shall mean all premiums on insurance policies covering the Retail Portion which are maintained by or on behalf of Landlord (including but not limited to fire, broad form extended coverage and liability), in the commercially reasonable discretion of Landlord or its mortgagee. In the event Landlord has blanket policies or policies that cover the Mixed Use Project, it shall have the right in the exercise of its commercially reasonable discretion to determine what portion of such premiums shall constitute Adjustments for purposes of this Lease. Tenant shall have no obligation to pay for rental loss insurance of Landlord.

5.2 Deposits of Tenant's Pro Rata Share.

(a) Tenant shall deposit monthly with Landlord on the first day of each and every month of the Lease Term, a sum equal to one twelfth (1/12) of 100% of Landlord's reasonable estimate of Tenant's Pro Rata Share of annual Taxes, Adjustments and CAM Charges for the calendar year, which monthly deposits shall be shall be used by Landlord to the extent thereof, to pay Taxes, Adjustments and CAM Charges as the same become due and payable. The payment of deposits shall not limit or alter Tenant's obligation to reconcile Tenant's share of Taxes, Adjustments and CAM Charges at the end of such calendar year. The amount of the deposits shall be re-adjusted annually (or at such other times as reasonably determined by Landlord), on the first day of the month after the bills showing the actual amount of the Taxes, Adjustments and CAM Charges are issued in each year of the Lease Term, to reflect the estimated amount of Taxes, Adjustments and CAM Charges. In the event that the amounts received as deposits by Landlord from Tenant shall be insufficient to pay

Tenant's Pro Rata Share of the actual bills, Tenant shall pay to Landlord any such deficiency within ten (10) days of notice of same to Tenant from Landlord. In the event of an overpayment by Tenant, said overpayment shall be credited to Tenant's next payment of Rent; any credits remaining at the expiration or earlier termination of this Lease shall be promptly refunded to Tenant. Landlord will provide Tenant upon request, with a copy of the tax bills received.

(b) Tenant's "Pro Rata Share" shall be determined by dividing the total leasable floor area of the Leased Premises by the total leasable floor area of the Retail Portion of the Mixed Use Project. As of the date of this Lease, the estimated total leasable floor area of the Retail Portion of the Mixed Use Project is 27,777 and Tenant's Pro Rata Share is 8.30%. The Retail Portion of the Mixed Use Project will pay its pro rata share of taxes as equitably and reasonably determined pursuant to the REA until a separate tax bill covering the Retail Portion only is issued. In the event Landlord expands or reduces the Retail Portion, Tenant's Pro Rata Share shall be adjusted accordingly.

ARTICLE VI RISK ALLOCATION AND INSURANCE

- Allocation of Risks. The Parties desire, to the extent permitted by law, to allocate certain risks of personal injury, bodily injury or property damage, and risks of loss of real or personal property by reason of fire, explosion or other casualty, and to provide for the responsibility for insuring those risks. It is the intent of the Parties that, to the extent any loss, costs, damage, claim or expense is covered by insurance carried by Landlord or Tenant (or would be covered by insurance had the Parties carried the insurance required under this Lease), any loss, costs, damage or expense, including, without limitation, the expense of defense against claims or suits, be covered by such insurance, without regard to the fault of Tenant, Tenant's affiliates or any of their agents, directors, officers and employees ("Tenant Protected Parties"), and without regard to the fault of Landlord, Landlord's affiliates or any of their agents, partners, directors, officers and employees ("Landlord Protected Parties"). To the extent such loss or claim is not covered by insurance, then, as between Landlord Protected Parties and Tenant Protected Parties, such risks are allocated as follows:
- (a) Tenant shall bear the risk of bodily injury, personal injury or death, or damage to the property of third persons, occasioned by events occurring on or about the Leased Premises, unless due to the grossly negligent acts of Landlord or Landlord's agents, or due to Landlord's breach of its obligations hereunder. Said risks shall be insured as provided in Section 6.1(a).
- (b) Except if caused by the gross negligence of Landlord, Tenant shall bear the risk of damage to the improvements on the Leased Premises and to Tenant's contents, trade fixtures, machinery, equipment, furniture and furnishings in the Leased Premises arising out of loss by the events required to be insured against pursuant to Sections 6.1(b) and (d).
- (c) Landlord shall bear the risk of damage to the structural components of the Leased Premises.

If both Landlord and Tenant have coverage, Tenant's coverage shall be deemed primary in connection with the risks set forth in subparagraphs (a) and (b), above.

- 6.1 <u>Tenant's Insurance.</u> Tenant shall procure and maintain policies of insurance, at its own cost and expense, insuring:
- (a) The Landlord Protected Parties, and Landlord's mortgagee, if any, of which Tenant is given written notice, as additional insureds, and Tenant Protected Parties, from all claims, demands or actions (which may be insured against under a commercial general liability policy containing standard provisions) made by or on behalf of any person or persons, firm or corporation and arising from, related to or connected with the Leased Premises, for bodily injury to or personal injury to or death of any person, or more than one (1) person, or for damage to property, in an amount of not less than \$3,000,000, combined single limit per occurrence/aggregate. Said insurance shall be written on an "occurrence" basis and not on a "claims made" basis. If at any time during the Term of this Lease, Tenant owns or rents more than one location, the policy shall contain an endorsement to the effect that the aggregate limit in the policy shall apply separately to each location owned or rented by Tenant. Tenant agrees that the insurance coverage limits of Tenant shall be increased (no more than once per year) if reasonably requested by Landlord and provided the increases are in line with the amounts required by lessors of comparable buildings in the Chicago area.
- (b) The improvements and fixtures at any time situated in the Leased Premises against loss or damage by fire, lightning, wind storm, hail storm, aircraft, vehicles, smoke, explosion, riot or civil commotion as provided by the Standard Fire and Extended Coverage Policy and all other risks of direct physical loss as insured against under Special Form coverage. The insurance coverage shall be for not less than the replacement cost of such improvements and fixtures with agreed amount endorsement or its equivalent, replacement cost endorsement and building ordinance coverage, all subject only to reasonable deductibles. Landlord and Tenant shall be named as loss payees as their interests may appear and all proceeds of such insurance shall be payable jointly to Landlord and Tenant as their interests may appear. Said insurance shall contain an endorsement waiving the insurer's right of subrogation against any Landlord Protected Party or any Tenant Protected Party, provided that such waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the cost thereof (except that either party shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereby keeping such waiver in full force and effect).
- (c) Tenant's business income, protecting Tenant from loss of income and other expenses during the period while the Leased Premises are untenantable due to fire or other casualty, for a period of not less than twelve (12) months.
- (d) All contents and Tenant's Trade Fixtures (as hereinafter defined), machinery, equipment, furniture and furnishings in the Leased Premises to the extent of at least ninety

percent (90%) of their replacement cost under Standard Fire and Extended Coverage Policy and all other risks of direct physical loss as insured against under a standard "all risk" policy. Said insurance shall contain a replacement cost endorsement and an endorsement waiving the insurer's right of subrogation against any Landlord Protected Party, provided that such waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the cost thereof (except that Landlord shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereby keeping such waiver in full force and effect). Tenant shall be the sole loss payee on such policy.

- (e) Tenant Protected Parties from all worker's compensation claims.
- (f) Tenant shall purchase and keep in full force and effect during the term of this Lease, at its sole cost and expense, dram shop insurance (as hereinafter described) covering the use, sale or gift of so-called "alcoholic liquors" (within the meaning of the Illinois Liquor Control Act, as now or hereafter amended) on or from the Leased Premises so long as such insurance is available. Tenant shall, at least ten (10) days before the commencement of such activity and continuously thereafter, deliver to Landlord, at Tenant's option, either an original policy of dram shop insurance in form, substance and with insurers reasonably satisfactory to Landlord or a certificate thereof in form reasonably acceptable to Landlord, with total limits of liability for bodily injury, loss of means of support, and property damage of not less than \$2,000,000 (or such greater amounts as Landlord may reasonably require in light of Tenant's financial strength) insuring Landlord Protected Parties, Landlord's mortgagee and Tenant Protected Parties, against any and all insurable liability by virtue of the Illinois Liquor Control Act, any amendments or supplements thereto, or any kindred legislation concerning the use, sale or giving away of alcoholic liquors.
- (g) Tenant shall, at Tenant's sole cost and expense, maintain during the entire Term hereof, adequate plate glass insurance satisfactory to Landlord with respect to all plate and other glass on the Leased Premises.
- 6.2 Form of Insurance. All of the aforesaid insurance carried by Tenant pursuant hereto shall be issued by insurance companies which have a Best's Rating of "A" or better and are included within Best's Financial Size "Class VIII" or larger in the most current available "Best's Insurance Reports," and which are qualified to do business in the state where the Leased Premises is situated. The insurer and the form, substance and amount (where not stated above) shall be reasonably satisfactory from time to time to Landlord and any mortgagee of Landlord, and shall unconditionally provide that it is not subject to cancellation or non-renewal except after at least thirty (30) days' prior written notice to Landlord and any mortgagee of Landlord. Tenant shall, at Tenant's option, provide Landlord with either originals of Tenant's insurance policies, or certificates thereof which are reasonably satisfactory to Landlord, together with satisfactory evidence of payment of the premiums thereon, prior to the Shell Delivery Date and renewals thereof not less than fifteen (15) days prior to the end of the term of such coverage. Tenant shall provide Landlord with proof of the aforementioned insurance carried by Tenant pursuant hereto prior to the Commencement Date and Landlord shall have the right from time to time during the

Term of this Lease to require Tenant to carry greater amounts of the insurance provided in Sections 6.1 and 6.3 to the extent such greater amounts of insurance are customarily carried by comparable tenants in similar buildings in the area in which the Leased Premises is located. Each policy of insurance for the Commercial General Liability, Comprehensive Automobile Liability, any liquor liability and/or umbrella insurance shall name as additional insured parties thereunder Landlord and any mortgagee of Landlord.

- 6.3 <u>Special Provisions Relating to Alcoholic Beverages and Retail Sales.</u> Tenant agrees as follows:
- (a) Tenant agrees to use all reasonable efforts to ensure that no person on the Leased Premises who appears to be intoxicated shall be sold, served or continue to be served any alcoholic beverages;
- (b) Tenant will not serve alcoholic beverages for consumption outside of the Leased Premises (except the Outside Space in accordance with local laws) and will use all reasonable efforts to ensure that its customers do not carry such beverages outside of the Leased Premises, and to that end will not serve alcoholic beverages in disposable containers provided, however, that packaged liquors may be sold from the Leased Premises so long as (i) the purpose and use of the Leased Premises, as defined in Section 3.0 above, is not changed in order to accommodate such retail packaged liquor sales; (ii) the law allows both the retail sale of packaged liquors from the Leased Premises and the consumption of alcohol at the Leased Premises; and (iii) Tenant first obtains, and at all time maintains, all necessary insurance, license(s) and governmental approval(s) to sell such packaged liquors.
- (c) Tenant will comply with all applicable codes and ordinances from time to time in effect in regard to the serving or sale of alcoholic beverages, including but not limited to restrictions concerning: the sale and/or the serving of alcoholic beverage to minors, the age of persons serving alcoholic beverages and the hours and days during which such beverages may be served;
- (d) Tenant will use all reasonable efforts at all times, at Tenant's sole cost and expense, to obtain and keep in full force and effect all necessary licenses, permits, authorizations and approvals from all governmental authorities having jurisdiction in respect to the sale of Illinois Lottery Tickets and/or the serving or sale of alcoholic beverages;
- (e) Tenant will hold Landlord Protected Parties harmless from and indemnify them against any and all liability, loss, cost, damage and/or expense (including reasonable attorney's fees and expenses) of any kind or nature whatsoever, including but not limited to that resulting from any injury to or death of any persons or damage to or loss of property, by reason of or in any way relating to Tenant's offer to sell, and/or the serving or sale of alcoholic beverages in or from the Leased Premises, including but not limited to liability under any Dram Shop law, host liquor law or similar laws, statutes or ordinances, whether now in effect or hereafter adopted by the State of Illinois, County of Cook, the City of Chicago or any other governmental authority having

jurisdiction or under common law; and

- (f) If at any time the required dram shop insurance is for any reason not in force (other than because it is not legally required and such insurance is not available), then during all and any such times no sale, merchandising, transfer, giving away, offer to sell or exchange of alcoholic beverages of any kind shall be made by Tenant in, upon or from any part of the Leased Premises.
- 6.4 Adjustment of Loss. The loss, if any, under all policies of the character described in Section 6.1 (a) and (b) shall be adjusted by Tenant. If the loss under policies under Sections 6.1 or 6.2 equals or exceeds \$500,000, the loss shall be adjusted in consultation with Landlord.
- 6.5 <u>Evidence of Payment.</u> Tenant shall deliver to Landlord duplicate receipts, or photostatic copies thereof, showing the payments of all premiums within thirty (30) days after Tenant's respective payments thereby.
- 6.6 <u>Mutual Waiver of Subrogation.</u> Landlord and Tenant hereby waive any claims each may have against the other on account of any loss or damage occasioned to their respective property, the Leased Premises or its contents arising from any risk which is covered by the insurance actually maintained by the other party or, if not covered, which the other party is obligated to insure under this Lease; and the Parties 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 it may have against Landlord or Tenant, as the case may be.
- 6.7 <u>Landlord's Insurance</u>. Landlord shall maintain or cause to be maintained, special form property insurance and commercial general liability insurance on the Retail Portion in accordance with the REA.

ARTICLE VII REBUILDING

7.0 Casualty.

- (a) If 50% or less of the Leased Premises shall be destroyed or damaged by fire or other casualty, then Landlord shall repair, restore, reconstruct or rebuild only the structural components and demising walls of the Leased Premises. Landlord shall repair and restore the same with reasonable promptness, subject to reasonable delays for insurance adjustments and Force Majeure. If the Building is damaged but not the Leased Premises, Landlord (subject to the terms of the REA) shall make repairs so Tenant is able to operate in the Leased Premises and use the other areas available to Tenant in the Building.
- (b) If greater than 50% of the Leased Premises shall be destroyed or damaged by fire or other casualty, then Landlord shall have the right, at its option to (i) to rebuild and restore the Leased Premises as set forth in paragraph (a), above, or (ii) terminate this Lease as of the date of such

damage, in which event this Lease shall automatically be canceled and terminated as of the date of such damage. Upon such termination, all proceeds of the insurance required to be maintained pursuant to Section 6.1(b) of this Lease shall be paid to the Parties as their interests may appear; provided that Landlord shall be entitled to receive all insurance proceeds received by Tenant with respect to Tenant Improvements and other property which shall become property of Landlord at the termination of the Lease in an amount which represents the portion of the proceeds that is allocable to the unamortized amount of Tenant's original leasehold improvement cost and leasing commissions, amortized on a straight-line basis over the Lease Term. Landlord shall not be liable for delays in the making of any repairs which are due to Force Majeure. Rent and Taxes and Adjustments shall not be reduced or abated during the period of any such repair, restoration or rebuilding even if the Leased Premises are not tenantable; provided, however, that if Landlord shall take longer than one (1) year to repair or rebuild the Leased Premises and Tenant shall not elect to terminate this Lease, Tenant shall receive an abatement of Rent after such one (1) year period if it shall not have business interruption insurance coverage in effect beyond one (1) year. If pursuant to subparagraph (a) or (b), (i) the Leased Premises cannot be restored or rebuilt within one (1) year or (ii) such casualty shall occur in the last year of this Lease, Tenant shall have the right to terminate the Lease upon notice to Landlord.

- (c) Any right to terminate or any other option provided for any party in this Article VII must be exercised by written notice to the other party served within thirty (30) days after such damage or right shall have occurred or arisen.
- 7.1 <u>Tenant's Obligation to Rebuild.</u> Upon Tenant being notified in writing by Landlord that the structural components and demising walls of the Leased Premises have been substantially completed following a casualty event, Tenant shall diligently, at its expense, complete the repairing, restoration or rebuilding of the Leased Premises, subject to reasonable delays for insurance adjustment and Force Majeure.
- 7.2 <u>Preconditions to Rebuilding.</u> Before Tenant commences such repairing, restoration or rebuilding involving an estimated cost of more than \$75,000, Tenant shall furnish to Landlord (a) plans and specifications therefor; (b) an estimate of the cost of the proposed work, certified to by Tenant's architect; and (c) satisfactory evidence of sufficient contractor's comprehensive general liability insurance covering Landlord, builder's risk insurance, and worker's compensation insurance.
- 7.3 Payment for Rebuilding. Provided no Event of Default exists hereunder, any proceeds of the insurance referred to in Section 6.1(b) of \$250,000 or less shall be paid directly to Tenant for use in rebuilding or restoring the Leased Premises; provided, however, that in the event that there shall be an Event of Default, the proceeds shall be deposited with a title company (the "Escrowee"), reasonably acceptable to Landlord and Tenant, as construction escrowee pursuant to such company's then current form construction escrow agreement (the "Escrow"). If an Event of Default exists hereunder, then Tenant shall deposit the full amount of the cost of the work with the Escrowee or in lieu of any such deposit, Tenant, at Tenant's option, may provide an unqualified letter of credit in such amount and in form reasonably satisfactory to Landlord. Tenant shall diligently pursue the repair or rebuilding of the Tenant Improvements in a good and workmanlike manner using only

high quality materials. The Escrowee shall pay out construction funds from time to time on the written direction of Tenant's architect, in accordance with the terms of the Escrow.

- 7.4 Excess Receipts by Escrowee. Any excess money received from insurance remaining with the Escrowee after the repair or rebuilding of the Leased Premises, if no Event of Default exists hereunder, shall be paid to Tenant.
- 7.5 Failure to Rebuild. If Tenant shall not commence the repair or rebuilding of the Leased Premises within a period of thirty (30) days after the later of (i) the delivery of the Completed Shell after completion of the structural components and demising walls of the Leased Premises following a casualty event, or (ii) the settlement of the insurance claim with respect thereto (including receipt of payment), which thirty (30) day period shall be subject to extension for delays caused by Force Majeure as defined in Section 22.16, and prosecute the repair or rebuilding of the improvements with such dispatch as may be necessary to complete the same within a reasonable period after said damage or destruction occurs, not to exceed two hundred seventy (270) days from the date of commencement of such repair or rebuilding, which period shall be subject to extension for delays caused by Force Majeure as defined in Section 22.16, then, in addition to whatever other remedies Landlord may have either under this Lease, at law or in equity, the money received by and then remaining in the hands of the Escrowee shall be paid to and retained by Landlord as security for the continued performance and observance by Tenant of Tenant's covenants and agreements hereunder.

ARTICLE VIII CONDEMNATION

8.0 Taking.

- (a) If the whole of the Leased Premises shall be taken or condemned or sold in lieu of condemnation by any competent authority for any public use or purpose, or sold to any such authority which has the power of eminent domain and has threatened to exercise such power with respect to the Leased Premises, this Lease Term shall terminate upon the vesting of title to the condemning authority and Landlord shall be entitled to any and all condemnation awards or judgments and Tenant hereby assigns such award or judgment to Landlord. The foregoing shall not prevent Tenant from claiming and receiving an award made by the governmental body to Tenant for its leasehold estate, personal property and trade fixtures, as well as costs and expenses.
- (b) If a portion of the Leased Premises shall be taken or condemned or sold in lieu of condemnation for a public or quasi-public use or purpose by a competent authority such that as a result thereof the balance of the Leased Premises cannot, in the reasonable judgment of Landlord, be used for the same purpose and with substantially the same utility to Tenant as immediately prior to such taking, Tenant shall have the right to terminate this Lease, which election shall be made by giving written notice thereof to Landlord within ten (10) days after the vesting of title in the condemning authority. Upon termination, Landlord shall be entitled to

receive the entire condemnation award or judgment without any payment to Tenant and Tenant hereby assigns such award or judgment to Landlord. In such event, Tenant shall have the right to retain its trade fixtures. The foregoing shall not prevent Tenant from claiming and receiving an award made by the governmental body to Tenant for its leasehold estate, personal property and trade fixtures, as well as costs and expenses.

- (c) If this Lease is terminated pursuant to Subsections (a) or (b) above, Tenant shall continue to pay Rent and other charges hereunder until this Lease is terminated and any Taxes and Adjustments and insurance premiums prepaid by Tenant or any unpaid Taxes and Adjustments or other charges which accrue prior to the termination, shall be adjusted between the Parties. Notwithstanding the foregoing, Tenant shall have the right to make a claim for an award for the loss of its leasehold interest, separate and apart from any claims made by Landlord.
- 8.1 Partial Taking Without Termination. If only a part of the Leased Premises shall be so taken or condemned, but the Lease is not terminated pursuant to Section 8.0(b) hereof, Rent shall abate ratably as to the portion of the Leased Premises so taken from and after the date title vests in the condemning authority. Landlord shall make any structural repairs or restoration necessary to make a complete architectural unit of the remainder of the Leased Premises. Tenant shall be responsible for all other repairs or restoration of the Leased Premises. In the event the Leased Premises are not returned to substantially the same condition (other than size) as prior to the taking, Tenant shall have the right to terminate the Lease after giving 30 days advance written notice and right to cure to Landlord.

ARTICLE IX MAINTENANCE AND ALTERATIONS

9.0 Maintenance.

(a) Except as otherwise provided for in the REA, Tenant shall keep, maintain, repair and replace (i) the entire interior of the Leased Premises, and (ii) those systems (or portions thereof) exclusively serving the Leased Premises. As used herein, each and every obligation of Tenant to keep, maintain, repair and replace shall include, without limitation, all nonstructural repairs and replacements. Tenant shall be responsible for washing the interior and exterior windows of the Leased Premises. Tenant shall keep the Leased Premises from falling temporarily out of repair or deteriorating. Subject to the terms of the REA, Tenant shall further keep and maintain the Leased Premises safe, secure, clean and sanitary and in full compliance with all building, zoning, health, safety, fire and police regulations in force. Landlord shall not be required to repair or rebuild, or make any repairs, replacements or renewals of any nature or description to, the non-structural portions in the Leased Premises, whether ordinary or extraordinary, or to maintain the Leased Premises in any way (except as set forth in paragraph (c), below), and Tenant hereby expressly waives the right to make repairs or replacements at the expense of the Landlord as may be provided for in any statute, ordinance or other law in effect at the execution of this Lease or which may hereafter be enacted.

- (b) Tenant shall put, keep and maintain all portions of the Leased Premises (including the Outside Space) in a clean and orderly condition, free of dirt, rubbish and unlawful obstructions, and should Tenant fail to do so within two (2) days after having received written notice of such failure from Landlord (or within such longer period of time as may be reasonably necessary for Tenant to correct such failure so long as Tenant has promptly begun to correct such failure and Tenant thereafter diligently proceeds to correct such failure), Landlord, at its option, may do so, and any reasonable sums expended by Landlord in so doing shall be deemed Additional Rent payable upon demand to Landlord, but any such action taken by Landlord shall not be deemed to waive or release the default hereunder by Tenant until Tenant pays such Additional Rent.
- (c) Landlord shall repair, replace and maintain (or cause to be repaired, replaced and maintained), at its sole cost and expense and in good condition, the structural portions of the Retail Portion of the Building and the Leased Premises, including foundations, subfloor, roofs, load bearing walls and structural columns and beams of the Property and the Leased Premises and all structural defects in the Building; provided, however, that, subject to Sections 6.0 and 6.6 above, Tenant shall have the obligation to pay for all costs and expenses attributable to any maintenance, repairs and replacements that are caused, directly or indirectly, by the act, neglect, fault or omission of any duty by Tenant, its agents, employees, invitees or contractors, including, without limitation, damage to the roof caused by the maintenance and/or repair by such parties of Tenant's HVAC system or other equipment located thereon and servicing the Leased Premises. Landlord shall keep and maintain the Retail Portion and its components (other than the interior of the Leased Premises) in full compliance with all building, zoning, health, safety, fire and police regulations in force.
- (d) Landlord shall repair and maintain (or cause to be repaired and maintained) in good condition similar to other first class residential/commercial projects in the River North area of Chicago, Illinois, the common areas of the Retail Portion, including, without limitation, the sidewalks, windows (other than windows belonging to Tenant), entrances and facade of the Retail Portion. Landlord shall remove (or cause to be removed) snow, ice and debris from the sidewalk of the Retail Portion.
- (e) Tenant shall be responsible for the payment of its Pro Rata Share of any common area maintenance charges ("CAM Charges") that are attributable to the Retail Portion of the Mixed Use Project in accordance with the following:
 - (1) Tenant shall be responsible for its Pro Rata Share of the expenses charged to Landlord for the Retail Property (as defined above) in accordance with the terms and conditions of the REA, including, without limitation, those expenses relating to the Shared Facilities (as defined in the REA) and Shared Facilities Easement Area (as defined in the REA) pursuant to Article VI of the REA; and
 - (2) Tenant shall also be responsible during the Term, for its Pro Rata Share of cash expenses and costs (not covered by subparagraph (1) immediately above) which have accrued for a particular Lease Year, computed in accordance with generally accepted accounting principles, consistently applied, on an accrual basis and which costs and expenses were incurred by Landlord in connection with the servicing, repairing, replacing, maintenance and operation of the Retail

Portion (as defined above) during said Lease Year, including without limitation, the following expenses (subject to the exclusions specifically identified below):

- (i) wages and salaries (if any), including without limitation taxes, insurance and benefits, of all Landlord employees engaged in operations, maintenance or access control, as reasonably allocated by Landlord (excluding, however, executive personnel of Landlord, employees senior to the property manager and personnel engaged solely in the development and/or leasing of the Retail Portion);
- (ii) replacement costs, whether acquired or leased, of tools, equipment and Building systems generally serving the Retail Portion, and all costs of materials and supplies, to the extent used in operations, maintenance and access control, provided, however, that to the extent the replacement costs are capital in nature, only the annual amortized portion of such replacement costs will be included in the CAM Charges (with amortization to be spread across the useful life of the item on a straight-line basis):
- (iii) cost of all utilities (including, but not limited to, electricity, water, gas, sewer charges, etc.);
- (iv) cost of all maintenance and service agreements and the equipment therein, affecting the Retail Portion;
- (v) cost of repairs and general maintenance (excluding repairs, alterations and general maintenance paid by proceeds of condemnation or insurance) affecting the Retail Portion, including, without limitation, the Retail Easement Facilities (as defined in the REA); and
- (vi) fair market management fees to the property manager for the Retail Portion, provided, however, that in no event shall Landlord be entitled to less than 10% of the actual CAM Charges for a particular year in order to compensate Landlord for the costs of managing the Retail Portion.

Notwithstanding anything in this Lease to the contrary, in no event shall Tenant be obligated or liable to pay any charges under subsection (e) (2) above which were included in the charges described in subsection (e) (1) above, and Landlord hereby agrees that it shall deliver to Tenant (together with the invoice for the costs described in subsections (e) (1) and (e) (2) above) statements describing the applicable charges.

Notwithstanding the foregoing provisions, Tenant shall not be liable for any of the following:

(A) repairs or other work occasioned by fire, windstorm or other casualty, the costs of which are reimbursed to Landlord or the Facilities Manager by insurers (or would have been so reimbursed to Landlord or Facilities Manager if Landlord or Facilities Manager had been in full

compliance with the insurance provisions of this Lease or the REA, as applicable) or by governmental authorities in eminent domain or by others;

- (B) leasing commissions, broker fees, legal fees, costs and disbursements and other expenses incurred in connection with negotiations or disputes with tenants;
- (C) costs incurred in renovating or otherwise improving or decorating or redecorating space for tenants or other occupants in the Retail Portion or vacant space in the Building;
- (D) costs of correcting defects in the construction of the Retail Portion;
- (E) principal and interest on any debt, or rental under any ground or underlying leases or lease;

Landlord agrees to provide to Tenant a listing of the actual CAM Charges after each Lease Year and partial Lease Year, with a breakdown of each component of the CAM Charges. Landlord's common area maintenance records will be maintained in accordance with generally accepted accounting principles and be available to Tenant for three (3) years after the end of each year. Tenant shall have the right to audit the CAM Charges records of Landlord within one (1) year of the CAM Charges billing year, upon 30 days prior written notice from Tenant to Landlord.

9.1 <u>Alterations.</u>

Landlord and Tenant acknowledge that Tenant will be performing the Tenant's Work after the issuance of all necessary permits. Tenant shall commence Tenant's Work promptly following the Commencement Date and issuance of all necessary building permits and shall proceed diligently to complete Tenant's Work. Tenant shall also make any other additions, improvements or alterations to the Leased Premises required by any governmental authority, or required pursuant to Articles VII or VIII above or which may be deemed desirable by Tenant or made necessary by the act or neglect of Tenant, its employees, agents or contractors, or any persons, firm or corporation, claiming by, through or under Tenant ("Further Construction")(the Tenant's Work and the Further Construction are hereinafter jointly referred to as "Alterations"). obligations of Tenant hereunder with respect to the Leased Premises shall also apply to the Alterations. In making any such Alterations, Tenant shall comply with all Landlord requirements regarding any such work as well as all government requirements relating to design, renovation, alteration or construction. Tenant shall use only contractors pre-approved by Landlord, which shall not be unreasonably withheld. In addition, if any of such Alterations require changes to structural portions or common areas, of the Property or penetration of the roof of the Leased Premises, such work shall be performed by Landlord's contractor, at Tenant's expense or by Tenant's contractors (reasonably approved by Landlord) and under Landlord's supervision. Tenant shall employ only labor and perform any construction work in or about the Premises as will not cause any conflict or controversy with any organization representing building trades performing work for Landlord in or about the Property. Each of Tenant's contractors shall provide Landlord an acceptable form of waiver of contractor's lien rights as to the fee interest of Landlord in the Leased Premises upon completion of any work.

- (b) With respect to all Alterations, Tenant shall comply with all applicable laws and ordinances, all orders and decrees of court and all requirements of other governmental authorities (including, without limitation, the Americans With Disabilities Act of 1990 (42 U.S.C. §§ 12101 et. seq.), as the same may be amended from time to time, and any regulations promulgated thereunder), and shall not directly or indirectly, make any use of the Leased Premises which may thereby be prohibited by law or be dangerous to person or property or which may jeopardize any insurance coverage or may subject Landlord to any liability for injury to person or property.
- (c) As to all Alterations, or as to any work performed pursuant to Article XVII hereof. such work shall be performed with new materials, in a good and workmanlike manner, in accordance with all applicable laws and ordinances and in accordance with the procedures set forth in Section 7.2. All Alterations shall be constructed in accordance with the orders, rules and regulations of the State of Illinois, and City of Chicago, and Tenant shall maintain, at all times when any work is in process in connection with any Alterations, commercial general liability insurance for the benefit of the Landlord Protected Parties, Landlord's lender, Millennium Centre Tower, LLC and the Tenant Protected Parties, as their interests may appear, along with builder's risk insurance and the coverage described in Section 6.1. Upon completion of any such work by or on behalf of Tenant, Tenant shall provide Landlord with such documents as Landlord may reasonably require (including, without limitation, sworn contractors' statements and supporting lien waivers) evidencing payment in full for such work. and "as built" working drawings, if obtained. In the event Tenant performs any work not in compliance with the provisions of this Section 9.1(c), Tenant shall, upon written notice from Landlord, promptly correct such work. If Tenant fails to promptly correct such work within thirty (30) days after receiving written notice of such noncompliance from Landlord or such longer period of time as may be reasonably required to correct such work, then in addition to all other rights or remedies of Landlord under this Lease, at law or in equity, Landlord may enter the Leased Premises and perform said obligation of Tenant and Tenant shall pay Landlord for the reasonable cost to the Landlord thereof, immediately upon being billed therefor by Landlord. Such entry by Landlord shall not be deemed an eviction or disturbance of Tenant's use or possession of the Leased Premises nor render Landlord liable in any manner to Tenant. Tenant shall provide to Landlord a copy of the certificate of insurance for its general contractor, naming Landlord Protected Parties as additional insureds.

9.2 Construction Escrow.

(a) With respect to the payment of all Alterations (other than non-structural Alterations costing less than \$75,000 in each particular instance), Tenant shall at its own cost and expense establish a construction escrow (the "Escrow") with a national title insurance company approved by Landlord, as escrowee ("Escrowee"). Landlord and Tenant agree to comply with all usual and customary escrow requirements requested by Escrowee. Tenant shall deposit funds prior to construction sufficient to pay for all completed Tenant Improvement construction for which payment has not been made and the completion of the construction. For purposes of this Section and Section 8.0, the cost of construction shall be the total cost of construction set forth in the Tenant - General Contractor's agreement including all general contractor fees and all subcontractor materials,

costs and fees, but shall not include the cost of personal property and trade fixtures. Cost of construction for purposes of this Section shall be adjusted during the period of construction based on any change orders.

- (b) Upon written request of Tenant, and in accordance with the standard escrow instructions, Escrowee shall pay out funds from the Escrow to the contractor(s) entitled to such funds on account of labor and material furnished in connection with the construction, or to the Tenant as reimbursement for payment made to the contractor(s). Tenant shall obtain and submit to Escrowee waivers of lien, contractors' and subcontractors' sworn statements and other evidence of cost and payments so that the Escrowee can verify that the amounts disbursed from time to time are represented by completed and in-place work, and that said work is free and clear of possible mechanics liens. The Escrowee shall, however, be obligated to advance funds for ordered materials which are stored on site or at a location reasonably acceptable to Landlord. The construction contracts for such work shall provide for such retainage, if any, as is reasonable given the financial strength of the contractors and then current market conditions. At all times, the undisbursed balance remaining in the hands of Escrowee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens; any deficiency shall be immediately paid into the Escrow by Tenant.
- (c) Tenant represents and warrants that no financing shall be placed against the Tenant's Improvements. In lieu of the establishing of the Escrow, Tenant may, in its discretion and at its sole cost and expense, furnish to Landlord a performance bond, issued by a surety company approved by Landlord, in an amount equal to the estimated cost of such change or alteration, together with a payment bond, in an amount reasonably satisfactory to Landlord, or shall furnish to Landlord other security satisfactory to Landlord which guarantees the completion of the proposed change or alteration.
- 9.3 Improvements to Become the Property of Landlord. So long as this Lease remains in force, the improvements constructed in the Leased Premises after the date hereof shall be owned by Tenant, but upon termination of this Lease or Tenant's right to possession, whether by expiration of the Lease Term or otherwise, the improvements shall become the property of Landlord in fee simple, free and clear of all encumbrances, except those liens and encumbrances caused by Landlord, its employees, agents or any other parties claiming by, through or under Landlord; provided, however, Landlord, at its sole option may require Tenant to remove any alterations, additions or improvements in order to restore the Premises to the condition existing on the Commencement Date. The foregoing provisions are not intended to act as a waiver of Tenant's rights to such improvements in the event of a breach of the Lease by Landlord.
- 9.4 <u>Signage</u>. Subject to the terms and conditions set forth in the REA, and at Tenant's sole cost and expense, Tenant shall have the right to place signage for the Tenant's business on the Leased Premises (subject to the REA and any local ordinances), but not in the windows of the Leased Premises. Notwithstanding the aforementioned, Landlord acknowledges that upon Tenant obtaining all requisite permits (at Tenant's sole cost and expense), the Tenant may erect a sign in the same location and of the same size as the prior tenant of the Leased Premises, subject to the REA, any local ordinances and Landlord's right to reasonably approve the signage, which approval shall

not be unreasonably withheld. All signage placed upon the Leased Premises shall be and remain the property of Tenant, and upon the expiration or termination of the Lease or Tenant's possession thereunder for any reason, then, subject to Section 16.1 hereof, Tenant shall have the obligation at Landlord's option, to remove and retain such signage, provided Tenant repairs any damage to the structure or Property to which such signage is attached.

ARTICLE X ASSIGNMENT AND SUBLETTING

10.0 Consent Required.

- (a) Tenant shall be permitted to assign or sublease this Lease with the prior written consent of Landlord in accordance with this Section 10.0. The consent of Landlord required under this Section shall not be unreasonably withheld or delayed. In the event Landlord agrees to allow the Lease to be assigned or the Leased Premises sublet then, at the sole and exclusive option of the Landlord, Landlord will agree to release Agostino & Eugenia Meranda from their personal guaranty obligations to Landlord if Tenant obtains a replacement guarantor or guarantors who are acceptable to Landlord and/or the financial strength and creditworthiness of the assignee or sub-tenant is deemed acceptable to Landlord
- Premises, Tenant shall deliver written notice thereof to Landlord, together with a copy of the proposed assignment or sublease agreement at least thirty (30) days prior to the effective date of the proposed assignment, or the commencement date of the term of the proposed sublease. Any proposed assignment or sublease shall be expressly subject to all of the terms, conditions and covenants of this Lease. Any proposed assignment shall contain an express written assumption by assignee of all of Tenant's obligations under this Lease. Any proposed sublease shall (i) provide that the sublessee shall procure and maintain policies of insurance as required of Tenant under the terms of Sections 6.1 and 6.2, (ii) provide for a copy to Landlord of notice of default by either party, and (iii) otherwise be reasonably acceptable in form to Landlord.
- (c) No permitted assignment shall be effective and no permitted sublease shall commence unless and until any default by Tenant hereunder shall have been cured. No permitted assignment or subletting shall relieve Tenant from Tenant's obligations and agreements hereunder and Tenant shall continue to be liable as a principal and not as a guarantor or surety to the same extent as though no assignment or subletting had been made.
- (d) Landlord shall have the right to assign this Lease at any time upon prior notice to Tenant.
- (e) For purposes of this Lease, any transfer of any stock or interest in Tenant in the aggregate in excess of 50% shall be deemed an assignment subject to this paragraph. Tenant further agrees to reimburse Landlord as Additional Rent, for Landlord's reasonable costs and expenses, including reasonable attorney's fees incurred in connection with the processing and documentation of such requested assignment, subletting or change of ownership of this Lease.

ARTICLE XI LIENS AND ENCUMBRANCES

- 11.0 <u>Encumbering Title.</u> Tenant shall not do any act which shall in any way encumber the title of Landlord in and to the Leased Premises, nor shall the fee interest or estate of Landlord in the Leased Premises in any way be subject to any claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by Tenant. Any claim to, or lien upon, the Leased Premises arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant and shall be subject and subordinate to the paramount title and rights of Landlord in and to the Leased Premises.
- Liens and Right to Contest. Tenant shall not permit the Leased Premises to become subject to any mechanics, laborers or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Leased Premises by, or at the direction or sufferance of, Tenant; provided, however, that Tenant shall have the right to contest, in good faith and with reasonable diligence, the validity of any such lien or claimed lien. If Tenant fails to obtain the release of any such lien within thirty (30) days after the filing thereof, Tenant may continue to contest such lien if Tenant shall give to Landlord such security (such as a title indemnity from a title company acceptable to Landlord) as may be reasonably satisfactory to Landlord to assure payment thereof and to prevent any sale, foreclosure, or forfeiture of the Leased Premises by reason of nonpayment thereof; provided further, that on final determination of the lien or claim for lien, Tenant shall immediately pay any judgment rendered, with all proper costs and charges, and shall have the lien released and any judgment satisfied.

ARTICLE XII UTILITIES

12.0 <u>Utilities.</u> To the extent not included in the CAM Charges, Tenant shall purchase and pay for all utility services, including but not limited to fuel, water, sewerage, electricity, trash removal, chilled water and air from the utilities or municipalities providing such service (or to the extent provided by the Mixed Use Project), and shall pay for such services directly to the provider of such services when such payments are due. Utilities shall include, but are not limited to electric, gas, water/sewer, telephone utility charges and trash removal.

ARTICLE XIII INDEMNITY

13.0 Indemnity.

(a) Tenant will protect, indemnify and save harmless Landlord Protected Parties (as defined in Section 6.0) from and against any and all liabilities, obligations, claims, demands, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against the Landlord

Protected Parties or any of them by reason of (i) any failure on the part of Tenant to perform or comply with any of the terms of this Lease; (ii) performance of any labor or services or the furnishing of any materials or other property by Tenant or its agents or contractors in respect of the Leased Premises or any part thereof; (iii) personal injuries or for loss of or damage to property occurring in or arising out of or in connection with the use, possession or occupancy of the Leased Premises by Tenant or Tenant's assignees, subtenants, agents, employees or invitees; or (iv) the act or omission of Tenant, or any concessionaire, subtenant or assignee or their respective contractors, invitees, licensees, agents, servants, employees or other persons in or about the Leased Premises (provided that Tenant shall have no obligation to a Landlord Protected Party under this Section 13.0 with respect to any indemnified matters caused by or resulting from the gross negligence of such Landlord Indemnified Party). In case any action, suit or proceeding is brought against the Landlord Protected Parties or any of them by reason of any occurrence described in this Section 13.0. Tenant will, at Tenant's expense, by counsel reasonably approved by Landlord, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended. In the event Tenant fails to assume the defense upon notice from Landlord, Landlord shall have the right to assume the defense, upon notice from Landlord, Landlord shall have the right to assume the defense, all at the cost and expense of Tenant. The obligations of Tenant under this Section 13.0 shall survive the expiration or earlier termination of this Lease.

(b) Landlord will protect, indemnify and save harmless Tenant from and against any and all liabilities, obligations, claims, demands, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against the Tenant or any of them by reason of (i) any failure on the part of Landlord to perform or comply with any of the terms of this Lease; or (ii) any negligent act or omission of Landlord or any of its agents, contractors or employees done in the common areas, the Retail Portion or any part thereof (except inside the Leased Premises)(provided that Landlord shall have no obligation to a Tenant under this Section 13.0 with respect to any indemnified matters caused by or resulting from the act or omission of Tenant). In case any action, suit or proceeding is brought against the Tenant by reason of any occurrence described in this Section 13.0, Landlord will, at Landlord's expense, by counsel reasonably approved by Tenant, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended. The obligations of Landlord under this Section 13.0 shall survive the expiration or earlier termination of this Lease.

ARTICLE XIV RIGHTS RESERVED TO LANDLORD

- 14.0 <u>Rights Reserved to Landlord.</u> Without limiting any other rights reserved or available to Landlord under this Lease, at law or in equity, Landlord reserves the following rights to be exercised at Landlord's election:
 - (a) To inspect the Leased Premises four (4) times per year with notice to Tenant; and
 - (b) If Tenant shall theretofore have abandoned the Leased Premises for a period of thirty (30) days, to decorate, remodel, repair, alter or otherwise prepare the Leased

Premises for new occupancy.

Landlord may enter upon the Leased Premises for any and all of said purposes and may exercise any and all of the foregoing rights hereby reserved, during normal business hours after twenty-four (24) hours' prior written notice has been given to Tenant (unless an emergency exists, in which case Landlord may enter without notice if reasonably required) without being deemed guilty of any eviction or disturbance of Tenant's use or possession of the Leased Premises, and without being liable in any manner to Tenant; provided that Landlord must use all reasonable efforts to minimize any disruption to the conduct of Tenant's business and shall not have the right to inspect the Leased Premises more than four (4) times per year, except with reasonable cause.

14.1 <u>Access Panels.</u> Tenant acknowledges and agrees that Landlord and other Owners of the Mixed Use Project shall have access to all access panels in and around the Leased Premises for purposes of performing maintenance and equipment service behind/above the access panels. Any access shall be upon reasonable notice to Tenant, except in case of emergency. Landlord and other Owners shall use their best efforts to schedule such access during off business hours (i.e., either before or after Tenant's peak business hours) and to minimize the interference with Tenant's business.

ARTICLE XV SUBORDINATION OR SUPERIORITY

15.0 Subordination or Superiority. This Lease and all rights of Tenant hereunder are subject and subordinate to any mortgage or trust deed, blanket or otherwise granted by Landlord, held by any person or entity (herein referred to as a "Mortgagee"), and which now or may hereafter affect the Property and the Leased Premises, and to any and all renewals, modifications, consolidations, replacements and extensions thereof. It is the intention of the Parties that this provision be self-operative and that no further instrument shall be required to effect such subordination of this Lease. Tenant shall, however, upon demand at any time or times execute. acknowledge, and deliver to Landlord without expense to Landlord, any and all instruments that may be necessary or proper to subordinate this Lease and all rights of Tenant hereunder to any such mortgage or mortgages or to confirm or evidence such subordination. Tenant covenants and agrees, in the event any proceedings are brought for the foreclosure of any such mortgage, to attorn, without any deductions or set-off whatsoever, to the purchaser upon any such foreclosure sale if so requested to do by such purchaser, and to recognize such purchaser as the Landlord under this Lease. Tenant agrees to execute and deliver at any time and from time-to-time, upon the request of Landlord or of any holder of such mortgage or of such requesting party, such instruments as may be necessary or appropriate in any such foreclosure proceeding or otherwise to evidence such attornment provided purchaser agrees not to disturb Tenant's possession. If Tenant shall fail to execute such instruments within fourteen (14) days after receipt, Tenant hereby irrevocably appoints Landlord and the holder of such mortgage, or either of them, the attorney-in-fact of Tenant to execute and deliver any such instrument for and on behalf of Tenant.

ARTICLE XVI SURRENDER

- 16.0 Surrender. Upon the termination of this Lease, whether by forfeiture, lapse of time or otherwise, or upon termination of Tenant's right to possession of the Leased Premises, Tenant will at once surrender and deliver up the Leased Premises, together with all improvements thereon to Landlord, broom swept, in good condition and repair, reasonable wear and tear excepted (except for damage occasioned by casualty). Conditions existing because of Tenant's failure to perform maintenance, repairs or replacements as required herein, shall not be deemed "reasonable wear and tear". Tenant shall deliver to Landlord all keys to all doors therein. As used herein, the term "improvements" shall include, without limitation, all plumbing, lighting, electrical, heating, cooling and ventilating fixtures and equipment, and all Alterations (as said term is defined in Section 9.1 hereof) whether or not permitted under Section 9.1. All Alterations, temporary or permanent, made in or upon the Leased Premises by Tenant shall become Landlord's property and shall remain upon the Leased Premises on any such termination without compensation, allowance or credit to Tenant. Tenant acknowledges and agrees that all existing furniture, fixtures, equipment and other personal property located in the Leased Premises shall remain the property of Landlord. All kitchen hoods (and associated non-moveable mechanicals) and walk-in coolers and freezers in the Leased Premises as of the date of this Lease or installed later shall become Landlord's property and remain upon the Leased Premises on any such termination without compensation, allowance or credit to Tenant. The foregoing provision is not intended to act as a waiver of Tenant's rights to such improvements in the event of a breach of the Lease by Landlord.
- Removal of Tenant's Property. Upon the termination of this Lease, whether by 16.1 forfeiture, lapse of time or otherwise, or upon termination of Tenant's right to possession of the Leased Premises, Tenant shall remove Tenant's articles of personal property incident to Tenant's business and Tenant's trade dress items including appliances or restaurant equipment ("Trade Fixtures"); provided, however, that Tenant shall repair any injury or damage to the Leased Premises which may result from such removal, and shall restore the Leased Premises to the same condition as prior to the installation thereof. Tenant shall not remove (at Landlord's option) all built in fixtures such as coolers, freezers and hoods. If Tenant does not remove Tenant's Trade Fixtures from the Leased Premises upon the expiration or earlier termination of the Lease term or Tenant's right to possession of the Leased Premises, Landlord may, at its option, (i) remove the same (and repair any damage occasioned thereby) and dispose thereof or deliver the same to any other place of business of Tenant or warehouse the same, and Tenant shall pay the cost to Landlord, on demand, of such removal, repair, delivery and warehousing, or (ii) Landlord may treat such Trade Fixtures as having been conveyed to Landlord with this Lease as a Bill of Sale, without further payment, allowance or credit by Landlord to Tenant.
- 16.2 <u>Holding Over.</u> Tenant shall have no right to occupy the Leased Premises or any portion thereof after the expiration of this Lease or after termination of this Lease or of Tenant's right to possession pursuant to Section 18.0 hereof. In the event Tenant or any party claiming by, through or under Tenant holds over, Landlord may exercise any and all remedies available to it at law or in equity to recover possession of the Leased Premises, and for damages. For each and every

month or partial month that Tenant or any party claiming by, through or under Tenant remains in occupancy of all or any portion of the Leased Premises after termination of the Lease or Tenant's right to possession, Tenant shall pay, as liquidated damages and not as a penalty, monthly rental at a rate equal to 150% of the rate of the Minimum Annual Rent, and Additional Rent payable by Tenant hereunder immediately prior to the expiration or other termination of the Lease or of Tenant's right to possession. The acceptance by Landlord of any lesser sum shall be construed as a payment on account and not in satisfaction of damages for such holding over.

ARTICLE XVII ENVIRONMENTAL CONDITIONS

- 17.0 "Environmental Condition" Defined. As used in this Lease, the phrase "Environmental Condition" shall mean: (a) any adverse condition relating to surface water, ground water, drinking water supply, land, surface or subsurface strata or the ambient air, and includes, without limitation, air, land and water pollutants, noise, vibration, light and odors, or (b) any condition which may result in a claim of liability under the Comprehensive Environment Response Compensation and Liability Act, as amended ("CERCLA"), or the Resource Conservation and Recovery Act ("RCRA"), or any claim of violation of the Clean Air Act, the Clean Water Act, the Toxic Substance Control Act ("TSCA"), or any claim of liability or of violation under any federal statute hereafter enacted dealing with the protection of the environment or with the health and safety of employees or members of the general public, or under any rule, regulation, permit or plan under any of the foregoing, or under any law, rule or regulation now or hereafter promulgated by the state in which the Leased Premises are located, or any political subdivision thereof, relating to such matters (collectively "Environmental Laws").
- with all Environmental Laws applicable to the Leased Premises and Tenant and shall not, in the use and occupancy of the Leased Premises, or construction of Alterations thereon, cause or contribute to, or permit or suffer any other party to cause or contribute any Environmental Condition on or about the Leased Premises. Without limiting the generality of the foregoing, Tenant shall not, without the prior written consent of Landlord, receive, keep, maintain or use on or about the Leased Premises any substance as to which a filing with a local emergency planning committee, the State Emergency Response Commission or the fire department having jurisdiction over the Leased Premises is required pursuant to Section 311 and/or Section 312 of CERCLA, as amended by the Superfund Amendment and Reauthorization Act of 1986 ("SARA") (which latter Act includes the Emergency Planning and Community Right-To-Know Act of 1986); in the event Tenant makes a filing pursuant to SARA, or maintains substances as to which a filing would be required, Tenant shall simultaneously deliver copies thereof to Landlord or notify Landlord in writing of the presence of those substances.
- 17.2 <u>Environmental Indemnity.</u> Tenant will protect, indemnify and save harmless the Landlord Protected Parties from and against any and all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, reasonable attorneys'

fees and expenses) of whatever kind or nature, contingent or otherwise, known or unknown, incurred or imposed, based upon any Environmental Laws or resulting from any Environmental Condition on or about the Leased Premises which occurs or is contributed to during the Lease Term caused by Tenant, except as described in the next sentence. Landlord will protect, indemnify and save harmless the Tenant Protected Parties from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) of whatever kind or nature, contingent or otherwise, known or unknown, incurred or imposed, based upon or resulting from any Environmental Condition existing on or under the Leased Premises prior to the Shell Delivery Date. In case any action, suit or proceeding is brought against any of the parties indemnified herein by reason of any occurrence described in this Section 17.2, the party that is obligated to indemnify will, at its expense, by counsel approved by the party entitled to such indemnification, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended. The obligations of Landlord and Tenant under this Section 17.2 shall survive the expiration or earlier termination of this Lease.

17.3 Testing and Remedial Work. If, at any time during the Term of this Lease, Landlord reasonably believes that an Environmental Condition may exist on the Leased Premises as a result of or in connection with, Tenant's use or occupancy of the Leased Premises and Landlord provides reasonable evidence thereof to Tenant, Landlord may engage environmental consultants to conduct a Phase I environmental review on or about the Leased Premises for the purpose of determining the presence of any Environmental Condition. Such environmental consultants shall conduct an environmental review in such a manner so as to minimize any disruption to the conduct of Tenant's business. If any material Environmental Condition caused by Tenant is discovered by such Phase I environmental review, Tenant shall, in addition to its other obligations hereunder, reimburse Landlord for the cost of conducting such review and shall conduct and pay for a Phase II environmental review, the results of which shall be promptly delivered to Landlord. Without limiting Tenant's liability under Section 17.2 hereof, in the event of any such Environmental Condition, Tenant shall, unless Landlord is responsible for correcting such Environmental Condition under Section 17.1, promptly and at its sole cost and expense, take any and all steps necessary to remedy the same, complying with all provisions of applicable law and with Section 9.1 (c) hereof. Tenant shall have the right to engage its own environmental consultant if it disagrees with the Landlord's findings. If the consultants shall disagree, they shall select a third consultant to determine the condition. If Tenant's consultant is in the minority, Tenant shall pay the cost of the third consultant.

ARTICLE XVIII <u>REMEDIES</u>

- 18.0 <u>Defaults.</u> Tenant agrees that any one or more of the following events shall be considered Events of Default as said term is used herein:
- (a) Tenant shall be adjudged an involuntary bankrupt, or a decree or order approving, as properly filed, a petition or answer filed against Tenant asking reorganization of Tenant under the Federal bankruptcy laws as now or hereafter amended, or under the laws of any state, shall be entered, and any such decree or judgment or order shall not have been vacated or set aside within

sixty (60) days from the date of the entry or granting thereof; or

- (b) Tenant shall file or admit the jurisdiction of the court and the material allegations contained in any petition in bankruptcy or any petition pursuant or purporting to be pursuant to the Federal bankruptcy laws as now or hereafter amended, or Tenant shall institute any proceeding or shall give its consent to the institution of any proceedings for any relief of Tenant under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness, reorganization, arrangements, composition or extension; or
- (c) Tenant shall make any assignment for the benefit of creditors or shall apply for consent to the appointment of a receiver for Tenant or any of the property of Tenant; or
- (d) A decree or order appointing a receiver of the property of Tenant shall be made and such decree or order shall not have been vacated or set aside within sixty (60) days from the date of entry or granting thereof, or
- (e) Tenant shall fail to (i) commence any construction as required by this Lease, (ii) open the Leased Premises for business to the public within ninety (90) days of the Commencement Date or (iii) continuously operate its business in the Leased Premises as provided for in Section 3.1 and the same is not cured within 10 days after written notice; or
- (f) Tenant shall fail to make any payment of Rent required to be made by Tenant hereunder within five (5) days after receiving written notice of such failure from Landlord; or
- (g) Tenant shall fail to timely deliver an estoppel certificate or subordination agreement as required herein; or
- (h) Tenant shall default in keeping, observing or performing any of the other covenants or agreements herein contained to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant; provided that if such default cannot be reasonably cured within such thirty (30) day period, such failure shall not constitute an Event of Default hereunder so long as Tenant promptly commences to cure such default and thereafter continuously prosecutes the curing of such default to completion.

18.1 Remedies.

(a) Upon the occurrence of any one or more of such Events of Default, Landlord may at its election terminate this Lease, or terminate Tenant's right to possession only without terminating the Lease. Upon termination of the Lease, or upon any termination of the Tenant's right to possession without termination of the Lease, the Tenant shall surrender possession and vacate the Leased Premises immediately, and deliver possession thereof to the Landlord (in accordance with Sections 16.0 and 16.1 hereof), and hereby grants to the Landlord the full and free right, without demand or notice of any kind to Tenant (except as hereinabove expressly provided for), to enter into and upon the Leased Premises in such event with process of law and to repossess the Leased Premises as the Landlord's former estate and to expel or remove the Tenant and any others who may be occupying or within the Leased Premises without being deemed in any manner guilty of

trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom and without relinquishing the Landlord's rights to Rent or any other right given to the Landlord hereunder or by operation of law.

- Upon termination of the Lease, Landlord shall be entitled to recover as damages all Rent and other sums due and payable by Tenant on the date of termination, plus (i) an amount (as determined by Landlord) equal to the present value of the Rent and other sums provided herein to be paid by Tenant for the residue of the stated term hereof, and (ii) the cost of performing any other covenants to be performed by the Tenant. If the Landlord elects to terminate the Tenant's right to possession only without terminating the Lease, the Landlord may, at the Landlord's option, enter into the Leased Premises, remove the Tenant's signs (subject to Section 9.4 hereof) and other evidences of tenancy, and take and hold possession thereof as hereinafter provided, without such entry and possession terminating the Lease or releasing the Tenant, in whole or in part, from the Tenant's obligations to pay the Rent hereunder for the full term or from any other of its obligations under this Lease. Landlord shall use commercially reasonable efforts to relet all or any part of the Leased Premises for such rent and upon such terms as shall be reasonably satisfactory to Landlord (including the right to relet the Leased Premises as a part of a larger area, and the right to change the character or use made of the Leased Premises). For the purpose of such reletting, Landlord may decorate or make any repairs, changes, alterations or additions in or to the Leased Premises that may be reasonably necessary or convenient. If Landlord is not able to relet the Leased Premises, Tenant shall pay to Landlord, on demand, damages equal to the amount of the Rent, and other sums provided herein to be paid by Tenant for the remainder of the Lease Term. If the Leased Premises are relet and a sufficient sum shall not be realized from such reletting after paying all of the expenses of such decorations, repairs, changes, alterations, additions, the reasonable expenses of such reletting and the collection of the rent accruing therefrom (including, but not by way of limitation, reasonable attorneys' fees and brokers' commissions) (collectively, "Costs of Reletting"), to satisfy the Rent and other charges herein provided to be paid for the remainder of the Lease Term, Tenant shall pay to Landlord on demand any deficiency and Tenant agrees that Landlord may file suit to recover any sums falling due under the terms of this Section from time to time. Landlord shall, however, use reasonable efforts to mitigate its damages arising out of Tenant's default; provided that Landlord shall not be deemed to have failed to use such reasonable efforts by reason of the fact that Landlord has sought to relet the Leased Premises at a rental rate higher than that payable by Tenant under the Lease (but not in excess of the then current market rental rate).
- (c) Landlord shall at all times have the right, without prior demand or notice except as required by applicable law, to: (i) seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease or restrain or enjoin a violation of any provision thereof, and (ii) sue for and collect any unpaid Rent which has accrued. Notwithstanding anything to the contrary contained in this Lease, to the extent not expressly prohibited by applicable law, in the event of any Event of Default by Tenant, if Landlord elects to terminate this Lease instead of terminating only Tenant's right to possession, Landlord shall have the right to recover against Tenant as damages for loss of the bargain, and not as a penalty, the excess (if any), as determined by Landlord, of (i) the then present value of the projected Rent and all other sums payable by Tenant hereunder that would have accrued for the balance of the Term of this Lease less (ii) the then present value of the fair market value of the Leased Premises for the balance of such term ("Benefit of the Bargain Damages"). Notwithstanding

anything to the contrary contained in this Lease, if, subsequent to the termination of this Lease and the recovery of damages from Tenant pursuant to this Section 18.1(c), Landlord relets the Leased Premises for an effective rent higher or lower than the effective rent assumed for purposes of calculating Benefit of the Bargain Damages pursuant to this Section 18.1(c), the Benefit of the Bargain Damages shall not be recalculated and Landlord shall be entitled to retain all of the proceeds of such reletting. For purposes of determining present value, Landlord and Tenant shall use a discount rate equal to six percent (6%) per annum.

- (d) If Tenant shall default under this Lease, Landlord shall have the right (in addition to all other rights hereunder) to retain Tenant's Trade Fixtures, as well as all other furniture, fixtures and equipment.
- 18.2 <u>Remedies Cumulative.</u> Except for the liquidated damages provisions contained herein, no remedy herein or otherwise conferred upon or reserved to Landlord or Tenant shall be considered to exclude or suspend any other remedy but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute, and every power and remedy given by this Lease to Landlord or Tenant may be exercised from time to time and so often as the occasion may arise or as may be deemed expedient.
- 18.3 No Waiver. No delay or omission of Landlord or Tenant to exercise any right or power arising from any default shall impair any such right or power or be construed to be a waiver of any such default or any acquiescence therein. No waiver of any breach of any of the covenants of this Lease shall be construed, taken or held to be a waiver of any other breach, or as a waiver, acquiescence in or consent to any further or succeeding breach of the same covenant. No failure by Landlord to insist upon the strict performance of any covenant, agreement, term or condition of this Lease and no acceptance of full or partial rent during the continuance of any breach, shall constitute a waiver of any such breach or such covenant, agreement, term or condition.

ARTICLE XIX INTENTIONALLY BLANK

ARTICLE XX INTENTIONALLY BLANK

ARTICLE XXI INTENTIONALLY BLANK

ARTICLE XXII MISCELLANEOUS

22.0 Tenant's Statement. Tenant shall furnish to Landlord, within ten (10) business

days after written request therefor from Landlord (but in no event more than two (2) times per year), a copy of Tenant's and Guarantor's then most recent financial statements, certified by an officer of Tenant and/or Guarantor. It is mutually agreed that Landlord may deliver a copy of such statements to any mortgagee or prospective mortgagee of Landlord, or any prospective purchaser of the Property, but otherwise Landlord shall treat such statements and information contained therein as confidential.

- 22.1 <u>Estoppel Certificates.</u> Landlord and Tenant shall at any time and from time to time, upon not less than ten (10) business days prior written request from the other party, execute, acknowledge and deliver to the requesting party, in form reasonably satisfactory to the requesting party, a written statement certifying (if true) that (i) Tenant is in possession of the Leased Premises, (ii) 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), (iii) that the requesting party is not in default hereunder, (iv) the date to which the rental and other charges have been paid in advance, if any, and (v) such other accurate certifications as may reasonably be required by the requesting party. It is intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser or mortgagee of the Leased Premises and/or the Property or Tenant's business and any of Tenant's lenders or prospective lenders and any of their respective successors and assigns.
- Appearance of Leased Premises. Tenant shall not paint or decorate the exterior of the Leased Premises without first obtaining Landlord's written approval, which shall not be unreasonably withheld or delayed. The Leased Premises shall be operated in a first-class manner (for the type of business operated by Tenant) and shall have a neat and attractive appearance at all times from all points outside of the Leased Premises. As used in this Section 22.2, "first-class manner" shall mean the: (i) providing prompt and courteous service by properly attired servers; and (ii) providing food, refreshments, menu, decor and operations of a high quality that is customary for an upscale, first-class retail café operation. Landlord shall have the right to approve the build out and decor of the Leased Premises.
- 22.3 Right to Cure. Subject to any required notice and opportunity of Tenant to cure any default under this Lease, Landlord may, but shall not be obligated to, cure any Event of Default by Tenant (specifically including, but not by way of limitation, Tenant's failure to obtain insurance, pay, make repairs, or satisfy lien claims); and whenever Landlord so elects, all reasonable costs and expenses paid by Landlord in curing such Event of Default, including without limitation reasonable attorneys' fees, shall be so much Additional Rent due on the next monthly Rent payment date after such advance by Landlord, together with interest at a rate per annum equal to four percent (4%) in excess of the Prime Rate in effect on the date of such advance, from the date of the advance to the date of repayment by Tenant to Landlord.
- 22.4 <u>Notices.</u> All notices to or demands upon Landlord or Tenant desired or required to be given under any of the provisions hereof shall be in writing. Any notices or demands shall be deemed to have been duly and sufficiently given if a copy thereof has been mailed by United States registered or certified mail in an envelope properly stamped and addressed, with receipt, or personally delivered or sent by a recognized national courier service to the party and addressed as follows:

If to Landlord:

MCK Millennium Centre Retail, LLC c/o United Realty & Development 1919 South Highland Avenue Building D, Suite 124 Lombard, Illinois 60148 Attn: Joseph Khoshabe

With a copy via email to:

Kraft Law Office Attn: Michael A. Kraft, Esq.

Email address: mike@mkraftlaw.com

(In no event, however, shall notice to Kraft Law Office constitute notice to Landlord)

If to Tenant:

Sapori Antichi International Import, Inc., c/o Gelato D'oro 1450 West Lake Street, Suite #103 Addison, Illinois 60101 Attn.: Michael E. Meranda Email Address: gelatodoro1@gmail.com

The effective date of any mailed notice shall be three (3) days after delivery of the same to the United States Postal Service and the effective date of any personal delivery or courier service notice shall be as shown on the messenger or courier service's receipt.

In the event Tenant shall change its address from the one(s) listed above, Tenant shall give notice of any such change to Landlord within five (5) business days of said change(s).

- 22.5 <u>Quiet Enjoyment.</u> Landlord covenants that if Tenant shall perform all of the covenants and provisions of this Lease to be performed by Tenant, Tenant shall peaceably and quietly occupy and enjoy the full possession and use of the Leased Premises.
- 22.6 <u>Time of Essence.</u> Time is of the essence of this Lease, and all provisions herein relating thereto shall be strictly construed.
- 22.7 <u>Relationship of Parties.</u> Nothing contained herein shall be deemed or construed by the Parties hereto, or by any third party, as creating the relationship of principal and agent or of partnership, or of joint venture, by the Parties hereto, it being understood and agreed that no provision contained in this Lease nor any acts of the Parties hereto shall be deemed to create any relationship other than the relationship of landlord and tenant.
 - 22.8 Captions. The captions of this Lease are for convenience only and are

not to be construed as part of this Lease and shall not be construed as defining or limiting in any way the scope and intent of the provisions hereof.

- 22.9 <u>Severability.</u> If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, but each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.
- 22.10 <u>Law Applicable</u>; <u>Jurisdiction and Venue</u>. This Lease shall be construed and enforced in accordance with the laws of the State of Illinois. Each of the Parties hereby knowingly, voluntarily and intentionally agrees that any actions or proceedings arising directly or indirectly in connection with, out of, related to or from this Lease shall be litigated exclusively in any Federal or state court having situs within the State of Illinois, County of Cook. Each of the Parties hereby irrevocably consents and submits to the exclusive jurisdiction and venue of any state or Federal court located within such county. Each of the Parties hereby waives any right either of them may have to transfer or change the venue of any litigation brought against it or brought by it in accordance with this Section.
- 22.11 <u>Covenants Binding on Successors.</u> All of the covenants, agreements, conditions and undertakings contained in this Lease shall extend and inure to and be binding upon the successors and assigns of the respective Parties hereto, the same as if they were in every case specifically named, and wherever in this Lease reference is made to either of the Parties hereto, it shall be held to include and apply to, wherever applicable, the successors and assigns of such party. Nothing herein contained shall be construed to grant or confer upon any person or persons, firm, corporation or governmental authority, other than the Parties hereto, their successors and assigns, any right, claim or privilege by virtue of any covenant, agreement, condition or undertaking in this Lease contained.
- 22.12 <u>Brokerage.</u> Landlord and Tenant each warrants to the other that it has had no dealings with any broker or agent in connection with this Lease other than United Realty and Development. All commissions due shall be paid by a separate agreement. Landlord discloses to Tenant that one of its principals is a principal of United Realty and Development. Each of Landlord and Tenant covenants to pay, hold harmless, indemnify and defend the other from and against any and all costs, expenses or liability (including without limitation, reasonable attorneys' fees) for any compensation, commissions and charges claimed by any other broker or agent as a result of dealings with it with respect to this Lease or the negotiation hereof.
- 22.13 <u>Landlord Means Owners.</u> The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of the Landlord are concerned, shall be limited to mean and include only the owner or owners at the time in question of the fee or of the beneficial interest in a land trust which owns the fee of the Leased Premises, and in the event of any transfer or transfers of the title to such fee or such beneficial interest, Landlord herein named (and in case of any subsequent transfer or conveyances, the then grantor) shall be automatically freed and relieved, from and after the date of such transfer or conveyance, of all liability as respects the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter to be performed; provided that any funds in the hands of such Landlord or the then grantor at the time of such transfer, in which Tenant has an interest, shall be turned over to the grantee, and any amount then due and payable to Tenant by Landlord or the then grantor under any provisions of this Lease shall be paid

to Tenant.

- 22.14 <u>Attorneys' Fees.</u> Tenant covenants and agrees to pay on demand all reasonable costs, expenses and fees, including reasonable attorney's fees and court costs, which may be incurred by Landlord in enforcing any of the terms or provisions of this Lease. All attorney's fees hereunder shall be considered Additional Rent. The Landlord shall be entitled to recover reasonable attorney's fees and costs from Tenant in any action brought pursuant to this Lease.
- 22.15 <u>Execution of Lease by Landlord.</u> The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Leased Premises and this document shall become effective and binding only upon the execution and delivery hereof by Tenant and by Landlord. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein.
- 22.16 Force Majeure. If either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, fire, an act of God, government action, the inability to obtain building permits or materials or any other reason which is not the fault of the party delayed in performing work or doing acts required under this Lease, the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.
- 22.17 <u>No Counterclaims.</u> Tenant hereby waives its right to plead any noncompulsory counterclaim unrelated to this Lease or Tenant's occupancy of the Leased Premises, or to seek an offset, in any action or proceeding brought by Landlord against Tenant for non-payment of Rent or default hereunder. This shall not, however, be construed as a waiver of Tenant's right to assert any claim in a separate action brought by Tenant.
- 22.18 <u>Counterparts.</u> This Lease may be executed in any number of counterparts, all of which will be considered one and the same Lease notwithstanding that all Parties hereto have not signed the same counterpart. Signatures on this Lease which are transmitted by facsimile or electronic mail shall be valid for all purposes. Any party shall, however, deliver an original signature on this Lease to the other party upon request.
- 22.19 <u>Authority.</u> Landlord and Tenant each hereby represent and warrant to each other that all consents or approvals required of third parties (including, but not limited to, any Board of Directors) for the execution, delivery and performance of this Lease have been obtained and that each party has the right and authority to enter into and perform its covenants contained in this Lease, and that this Lease is binding upon each party in accordance with its terms.
- 22.20 <u>Amendments Must Be in Writing.</u> None of the covenants, terms or conditions of this Lease, to be kept and performed by either party, shall in any manner be altered, waived, modified, changed or abandoned except by a written instrument, duly signed and delivered by both of the Parties hereto.
- 22.21 <u>Waiver of Jury Trial.</u> IN THE EVENT THAT LANDLORD SHALL COMMENCE ANY PROCEEDINGS FOR POSSESSION HEREUNDER, THE PARTIES HERETO WAIVE A TRIAL BY JURY ON ANY AND ALL ISSUES ARISING IN ANY ACTION OR PROCEEDING BETWEEN THEM OR THEIR SUCCESSORS UNDER OR

CONNECTED WITH THIS LEASE OR ANY OF ITS PROVISIONS THAT RELATE TO TENANT'S PAYMENT OF RENT OR ANY NEGOTIATIONS IN CONNECTION HEREWITH.

- 22.22 <u>Drafting Construction.</u> This Lease shall be construed to have been drafted by both Parties and any ambiguity contained herein shall not be construed against any party on the basis of such party having drafted or prepared the language of such provision.
- 22.23 Entire Agreement. This Agreement includes the entire agreement between Landlord and Tenant with respect to the Leased Premises and all prior negotiations, agreements or understandings are superseded by the terms of this Lease. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.
- 22.24 <u>Late Charge.</u> Tenant shall pay a late payment service charge of five percent (5%) of any payment of Rent or any other sum payable by Tenant to Landlord which is not paid, within ten (10) days as and when due. Tenant acknowledges that such late payment service charge is for additional expenses incurred by Landlord due to late payment, shall not be considered interest, and shall be payable as Additional Rent at the time of the next monthly Rent payment date after such late payment of Rent or any other sum payable by Tenant to by Landlord.
- 22.25 <u>Exculpatory Provisions.</u> Notwithstanding anything to the contrary contained in this Lease, it is expressly understood and agreed by and between the Parties hereto that the recourse of Tenant or its successors or assigns against Landlord with respect to the alleged breach by or on the part of Landlord of any representations, warranty, covenant, undertaking or agreement contained in this Lease shall extend only to Landlord's interest in the Leased Premises and not to any other assets of Landlord or its constituent partners.
- 22.26 <u>Lender Approval.</u> If this Lease is subject to the approval by Landlord's lenders, such approval will be obtained promptly after execution of this Lease. In the event said lenders shall not approve of the terms and conditions of this Lease, Landlord shall have the right to terminate this Lease by written notice to Tenant within 5 business days after said non-approval by Lenders, in which case this Lease shall be terminated and of no further force and effect.
- Rules and Regulations. Landlord shall have the right (upon reasonable notice) to adopt reasonable rules and regulations for the safety, care and cleanliness of the Leased Premises and the preservation of good order thereon. Such rules and regulations are hereby expressly made a part hereof, and Tenant agrees to obey all such rules and regulations. Landlord shall not be responsible to Tenant for the non-performance by any other tenant or occupant of the Building of any of said rules and regulations. Landlord agrees all rules and regulations shall be uniformly enforced, except as may be specifically applicable to Tenant's use. In the event a conflict between rules and this Lease occurs, the Lease shall control, provided, however, that the lack of a provision in this Lease covering the subject matter of the rule or regulation shall not be deemed a "conflict" for purposes of this sentence.

- 22.28 <u>Equipment</u>. Tenant shall identify to Landlord any equipment located in the Premises which it does not desire to use. Landlord may either remove the equipment or allow Tenant to trade it for equipment that Tenant requires to operate its business.
- Landlord Security Interest. Tenant hereby conveys to the Landlord, all the, fixtures owned and installed by Tenant situated on the Leased Premises as security for the payment of all Rent and Additional Rent due or to become due hereunder. Said property shall not be removed therefrom without the consent of the Landlord (except for replacements in ordinary course of business), Tenant further agrees that (i) Landlord may file any financing statements as Landlord may reasonably require to perfect Landlord's interest in such property; and (ii) Tenant may not create any security interests in any fixtures, without the express prior written consent of Landlord. It is understood and agreed that the two walk in refrigerator/freezer units, located in the Leased Premises as of the Commencement Date belong to the Landlord and may not be removed without Landlord approval. Tenant shall remove Tenant's articles of personal property incident to Tenant's business and Tenant's trade dress items including appliances or restaurant equipment which Tenant owns and brought into ("Trade Fixtures"); provided, however, that Tenant shall repair any injury or damage to the Leased Premises which may result from such removal, and shall restore the Leased Premises to the same condition as prior to the removal thereof. Notwithstanding anything to the contrary herein, Landlord shall not have a security interest in any trade fixtures, equipment or personal property which the Tenant brings into the Premises.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date first above written.

Landlord:

Tenant:

MCK MILLENNIUM CENTRE RETAIL, LLC an Illinois limited liability company

SAPORI ANTICHI INTERNATIONAL IMPORT, INC., an Illinois corporation

By: MCK Millennium Corp.

Its: Manager

Name: JOST BILKHOSTIAA-

Its: Mannin Knong. Its: President

Name: Michael E Meranda