

11. Additions, Changes, Alterations and Demolition. Except as otherwise provided herein, Tenant shall not construct or demolish improvements upon the Leased Premises or make additions to, or structural changes or alterations in and upon, any or all of such improvements, or other improvements upon the Leased Premises, without the written consent of Lessor which will not be unreasonably withheld. Such work shall be performed in a good and workmanlike manner at the sole expense of Tenant. Tenant shall not permit, create, incur or impose or cause or suffer others to permit, create, incur or impose any lien or other obligation against the Leased Premises or Lessor by reason of any work upon the Leased Premises, and Tenant agrees to hold Lessor harmless of and from any and all claims or demands by any contractor, subcontractor, materialman, laborer or any other third person against the Leased Premises or Lessor relating to or arising because of any work thereon. Any improvements or additions upon the Leased Premises at the expiration of this Lease shall be deemed a part of the Leased Premises, and shall be surrendered to Lessor in good condition and repair, reasonable wear and tear and damage by fire or other casualty not occurring through the neglect of Tenant excepted. The provisions of this paragraph shall not apply to such items as are ordinarily designated as trade fixtures, temporary partitions or similar installations which may, from time to time, be installed in the Leased Premises under the provisions of paragraph 12 hereof.

12. Trade Fixtures. (a) Tenant may during the term of this Lease install such fixtures, equipment and appliances as may be reasonably necessary for the conduct of its business upon the Leased Premises ("Trade Fixtures"). Tenant agrees that it will not create, incur or impose or suffer or cause others to create, incur or impose any lien or obligation against the Leased Premises or Lessor by reason of the installation herein authorized. Tenant agrees to hold Lessor harmless of and from any and all claims and demands of third persons in any manner relating to or arising out of such installation.

(b) Subject to the provisions of subparagraph (c) hereof, the Trade Fixtures may be affixed to the Leased Premises and Tenant may remove the same at will, and shall remove the same at the termination of this Lease if so requested by Lessor. All damages incurred to the Leased Premises as a result of any affixation or removal hereunder shall be promptly repaired by and at the sole cost and expense of Tenant. Any Trade Fixtures not removed as herein permitted or required shall, at the option of Lessor, be deemed abandoned by Tenant, to be disposed of by Lessor as its sole property.

(c) In no event shall Lessor have a lien on Tenant's Trade Fixtures as a result of any default hereunder.

13. Entry for Inspection. Lessor, its representatives, its mortgagees and their representatives shall have the right, during business hours, to enter upon the Leased Premises for the purpose of examining and inspecting the same and of showing the said premises to prospective tenants or purchasers; said inspection, however, shall not unreasonably interfere with the business of Tenant. Tenant shall permit "For Sale" signs to be placed upon the Leased Premises at any time and "For Rent" signs within six (6) months prior to the expiration of this Lease.

14. Warranty of Quiet Possession. Lessor represents and warrants that it has good and indefeasible title in fee simple to the Leased Premises and has full right and authority to execute this Lease. Tenant, upon paying rent at the time and manner aforesaid, and performing and keeping all of the covenants and conditions of this Lease by it to be kept and performed, shall quietly have, hold and enjoy the Leased Premises during the term hereof.

15. Damage by Fire or Other Casualty. (a) In the event the Leased Premises are damaged by the elements or fire or other casualty insured under paragraph 10 hereof, but are not thereby rendered untenable in whole or in part, the same shall be repaired by and at the expense of Lessor. Rental and other sums due hereunder shall not abate during the period of repair.

(b) Any provisions of this Lease to the contrary notwithstanding, Lessor may, at its option, terminate this Lease in the event the Leased Premises are rendered untenable in whole by the elements or fire or other casualty. Lessor shall exercise its option hereunder by written notice to Tenant given within thirty (30) days after the event causing such loss, damage or destruction, termination to be effective as of the date of said notice. In the event Lessor does not elect to exercise its option hereunder, Lessor shall proceed to rebuild the Leased Premises pursuant to subparagraph (a) above.

16. Assignment and Subletting. Tenant shall not assign this Lease nor sublet or license the use of any portion of the Leased Premises without the prior written consent of Lessor which will not be unreasonably withheld. Any assignee of Tenant shall expressly assume Tenant's liabilities and obligations under this Lease. No assignment, subleasing or licensing shall release Tenant from any of its obligations hereunder. Tenant shall not mortgage or otherwise encumber its leasehold interest hereunder without the prior written consent of Lessor.

17. Eminent Domain. (a) If all of the Leased Premises are taken by the exercise of the power of eminent domain, or sold under the threat of eminent domain, this Lease shall terminate as of the date possession is taken by the condemnor. The entire compensation award shall belong to Lessor and Tenant shall have no interest therein, provided, however, that Tenant shall have the right to any proceeds specifically awarded for the taking of any of Tenant's personal property, Trade Fixtures or for Tenant's moving expenses, or any other award of a similar nature made directly to Tenant by the condemning authority other than for the value of Tenant's leasehold interest herein.

(b) If less than all of the Leased Premises is taken by the exercise of the power of eminent domain, or sold under the threat of eminent domain, Lessor and Tenant shall have the right to terminate this Lease if in their respective reasonable judgment the premises remaining are such that the continued use for the purpose for which the same were being used immediately prior to such taking is reasonably impractical or economically imprudent. Termination shall be effective on the date possession is taken by the condemnor. The option to terminate herein granted shall be exercised in writing by Lessor or Tenant within ten (10) days after the date of the taking of possession by the condemnor. The entire compensation award shall belong to Lessor, provided, however, that Tenant shall have the right to any proceeds specifically awarded for the taking of any of Tenant's personal property, Trade Fixtures or for Tenant's moving expenses, or any other award of a similar nature made directly to Tenant by the condemning authority other than for the value of Tenant's leasehold interest herein. If this Lease is not terminated, Lessor shall, with reasonable diligence, restore any improvements upon the Leased Premises affected by the taking (other than improvements constructed by Tenant at Tenant's expense), but shall not be obligated to spend for such restoration any amount in excess of the amount awarded or paid to it by the condemnor for such purpose. During the period of restoration and thereafter rental shall abate proportionately to the reduction in space of the Leased Premises taken by partial condemnation and while not replaced by restoration.

18. Defaults and Remedies. (a) The occurrence of any one or more of the following shall constitute a default by Tenant:

(1) Failure by Tenant to pay the rent or to make any other payment required to be made by Tenant hereunder when due and such failure continues for ten (10) days after written notice to Tenant;

(2) The making by Tenant of an assignment for the benefit of its creditors;

(3) The operation or supervision of the business conducted in the Leased Premises by a creditors' committee, or by anyone other than Tenant or Tenant's subtenants or assigns;

(4) The levying of a writ of execution or attachment on or against the property of Tenant located on the Leased Premises which is not removed within sixty (60) days;

(5) The doing or permitting to be done by Tenant of any act which results in the filing of a mechanic's lien or claim therefor against any part of the Leased Premises which is not removed within sixty (60) days;

(6) The taking of any action for the voluntary dissolution of Tenant;

(7) If proceedings are instituted in a court of competent jurisdiction for the reorganization, liquidation or involuntary dissolution of Tenant, or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of the property of Tenant, and said proceedings are not dismissed and any receiver, trustee or liquidator appointed therein discharged within sixty (60) days after the institution of said proceedings; and

(8) The failure of Tenant to perform any other of its covenants under this Lease for thirty (30) days after written notice thereof by Lessor to Tenant.

(b) In the event of any default by Tenant hereunder, Tenant hereby authorizes and empowers Lessor to:

(1) Cancel and terminate this Lease and immediately reenter and take possession of the Leased Premises without the requirement of any previous notice of intention to reenter, and remove all persons and their property therefrom using such force and assistance in effecting and protecting such removal as Lessor may deem reasonably necessary to recover full and exclusive possession of the Leased Premises; or

(2) Reenter and take possession of the Leased Premises in the manner provided in subparagraph (1) above without such reentry constituting a cancellation or termination of this Lease or a forfeiture of any rental, Taxes or other monies to be paid hereunder or of the covenants, agreements and conditions to be kept and performed by Tenant for and during the remainder of the term hereof.

(c) In the event Lessor reenters and takes possession of the Leased Premises as set forth in subparagraph (b)(2) above:

(1) Lessor shall have the right but not the obligation to divide or subdivide the Leased Premises in any manner it may reasonably determine and to lease or let the same or portions thereof for such periods of time, at such rentals, for such use and upon such terms, covenants and conditions as it may reasonably elect, applying the net rentals from such letting first to the payment of its expenses incurred in dispossessing Tenant, the costs and expenses of making such improvements in the Leased Premises as may be reasonably necessary to enable it to relet the same, and to the payment of any brokerage commissions or other necessary expenses incurred in connection with such reletting. The balance, if any, shall be applied by Lessor, from

time to time, but in any event no less than once each month, on account of the payments due or payable by Tenant hereunder.

(2) Lessor may, from time to time, bring such actions or proceedings for the recovery of any deficits remaining unpaid or to enforce any other covenant or condition herein contained as it may deem advisable without being obligated to await the end of the term hereof for a final determination of Tenant's account.

(3) Any balance remaining after full payment and liquidation of all payments due Lessor as aforesaid shall be paid to Tenant at the end of the term hereof, with the right reserved to Lessor at any time to give notice in writing to Tenant of its election to cancel and terminate this Lease and all of Tenant's rights and obligations hereunder, and, upon the giving of such notice and the simultaneous payment by Lessor to Tenant of any credit balances in Tenant's favor that may at the time be owing to it shall constitute a final and effective cancellation and termination hereof and the obligations hereunder on the part of either party to the other.

(d) Tenant will, at the expiration or termination of this Lease, yield up possession to Lessor, and failing so to do, at Lessor's option, will pay liquidated damages for each day possession is withheld, in an amount equal to double the amount of the daily minimum rent, computed on a thirty-day month basis; provided, however, that Lessor's right to recover such liquidated damages shall not preclude Lessor from recovering any greater amount of damages sustained by it or as otherwise allowed by law.

(e) Nothing contained in this section 18 shall exclude any other right or remedy allowed by law to Lessor, nor shall the invalidity or unenforceability of any one right or remedy affect or impair the validity or enforceability of any other right or remedy.

19. Abandonment of Tenant's Property. If Tenant fails to remove any property belonging to it within thirty (30) days after the termination of this Lease (whether by lapse of time or otherwise but excepting termination resulting from or upon acquisition of the Leased Premises by Tenant), the same shall be deemed abandoned by Tenant and shall, at Lessor's option, become the property of Lessor, or may be removed from the Leased Premises by Lessor at the expense of Tenant.

20. Enforcement Costs. Tenant shall pay all costs, reasonable attorneys' fees and expenses that may be incurred by Lessor in enforcing the provisions of this Lease.

21. Holding Over by Tenant. If Tenant holds over or remains in possession or occupancy of the Leased Premises after the expiration of this Lease with Lessor's written consent, such holding over or continued possession or occupancy shall create only a tenancy from month to month at the last monthly rental and upon the same terms and conditions herein contained (other than the length of term), which may at any time be terminated by either Lessor or Tenant giving to the other thirty (30) days' written notice.

22. Surrender at Termination. At the termination of this Lease for any reason, Tenant shall quietly and peaceably surrender possession of the Leased Premises (and any improvements located thereon) to Lessor, in good order, condition and repair and broom-clean and free of any and all claims, including, but not limited to, claims by Tenant or any party holding under Tenant.

23. Payments to be Additional Rental. All payments to be made by Tenant hereunder, whether or not designated as rental, shall be deemed rental, so that in default of payment when due,

Lessor shall be entitled to all of the remedies available at law or equity, or under this Lease, for the nonpayment of rental.

24. Subordination; Attornment. (a) At Lessor's option, this Lease shall be subordinated to any existing mortgages covering the Leased Premises, any extension or renewal thereof, or to any new mortgages which may be placed thereon from time to time; provided, however, anything to the contrary contained herein notwithstanding, every such mortgagee and assignee thereof shall recognize the validity of this Lease in the event of a foreclosure of Lessor's interest as long as Tenant shall not be in default under any of the terms of this Lease. Tenant shall execute at its cost whatever instruments may be required to effect such subordination.

(b) In the event any proceedings are brought for the foreclosure of the Leased Premises, or in the event of exercise of the power of sale under any mortgage made by Lessor covering the Leased Premises, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as lessor under this Lease, provided such purchaser assumes and agrees to perform the prospective obligations of Lessor hereunder.

(c) In the event any mortgagee shall elect to have this Lease have priority to the lien of its mortgage, then, upon notice to Tenant thereof, this Lease shall thereupon be deemed prior to the lien of any such mortgage. The provisions of this paragraph shall include deeds of trust and similar security instruments.

25. Lessor's Right to Cure; Interest. In the event of a default by Tenant, Lessor, at its option, may perform any obligation of Tenant under this Lease. Tenant shall pay to Lessor the cost of performing such obligation within five (5) days of receipt of a statement therefor. Any amounts so owing, all rent and any other payments to be made hereunder by Tenant to Lessor shall bear interest to be paid by Tenant from and after the due date thereof to the date of payment at the rate of one and one-half percent (1.5%) per month.

26. Notices. Any notice required or permitted under this Lease may be personally served or given and shall be deemed sufficiently given or served if sent by registered or certified mail, with postage prepaid thereon, to the respective addresses set forth on the Data Sheet. Either party may by like notice at any time, and from time to time, designate a different address to which notices shall be sent. Notices given in accordance with these provisions shall be deemed received when mailed. Any payment required under this Lease shall be deemed made on the date mailed if sent by ordinary mail, with postage prepaid thereon, to the address of the recipient set forth above, provided, however, if payment is by check it shall be deemed made on the date mailed only if such check is paid by the bank upon which it is drawn upon presentation for payment.

27. General. No waiver of any default of Tenant hereunder shall be implied from any omission by Lessor to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers of any breach of any covenant, term or condition of this Lease by Lessor shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by Lessor to or of any act by Tenant requiring Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent or approval to or for any subsequent similar act by Tenant. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions. The laws of the state in which the Leased Premises are situated shall

govern the validity, performance and enforcement of this Lease. The headings of the several articles contained herein are for convenience only and do not define, limit or construe the contents of such articles. The term "Tenant" as used herein shall mean Tenant as defined on the Data Sheet and all other permitted assignees and transferees of Tenant's interest in this Lease. Time is of the essence as to all provisions of this Lease.

28. Successors and Assigns. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors and assigns.

29. Limitation of Liability. Lessor's liability hereunder is limited to Lessor's interest in the Leased Premises.

30. No Partnership. This Lease does not create a joint venture or partnership relationship between the parties hereto.

31. Authority. Lessor and Tenant hereby warrant and represent to each other that the individuals executing this Lease on their respective behalf have full right and authority to do so.

32. Estoppel Certificates. (a) At any time and from time to time Tenant shall, within twenty (20) days after written request therefor from Lessor, deliver to Lessor a statement in writing certifying that this Lease is in full force and effect, setting forth all modifications or amendments which exist with respect thereto, the dates to which rent and any additional payments due hereunder have been paid, the balance of any security deposit held by the other party, all known breaches by the other party of the terms, covenants and conditions hereof, and any other information requested by Lessor.

(b) Reliance Upon Statement. Any statement delivered to Lessor as required by this section may be relied upon by any purchaser, mortgagee or assignee of all or any part of Lessor's interest.

(c) Failure to Furnish Statements. The failure of Tenant to furnish the statement required hereby within the said twenty (20) day period shall be deemed to be an acknowledgment by Tenant that this Lease is in full force and effect, without modification or amendment, that the rent and additional charges have been paid in full to and including the respective due dates therefor immediately preceding the date of such request, that no rent has been paid in advance of the due date therefor as set forth herein, that no security deposit is held by Lessor, and that Lessor has performed all of the terms, covenants and agreements required of it hereunder.

33. Submission of Lease. The submission of this Lease for examination does not constitute a reservation of or option for the Leased Premises, and this Lease shall become effective as a lease only upon execution, delivery and receipt thereof by Lessor and Tenant.

34. Net Lease. It is the purpose and intent of the parties hereto that the rent herein reserved is absolutely net to the Lessor and that all costs, fees, charges, expenses and obligations of every kind, relating to the Leased Premises, including without limitation all Taxes, Utilities, insurance, assessments, costs, fees, charges, expenses and obligations herein mentioned, shall be paid and discharged by the Tenant except as otherwise expressly provided herein.

35. Accord and Satisfaction. No payment by Tenant or receipt by Lessor of a lesser amount than the full rental due or the full amount of any other payments to be made by the Tenant hereunder shall be deemed to be other than on account of the

earliest stipulated unpaid installment thereof, nor shall any endorsement or statement on any check or letter accompanying any check or payment be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's right to recover an amount due hereunder or pursue any other remedy provided in this Lease.

IN WITNESS WHEREOF, this Lease has been executed as of the day and year first above written.

LESSOR:

REINHART PLAZA

By: 

By: 

TENANT:

GATEWAY FOODS OF TWIN PORTS, INC.

By: 

Attest: 


EXHIBIT A

LEGAL DESCRIPTION

200 Tin Street
Ontonagon, Michigan

Lots 2, 3 and 4 of Block 29, of the Original Plat to the Village of Ontonagon, according to the recorded Plat thereof.

Excepting all ores and mineral interests of record; and subject to any mining and development rights thereto.

LEASE SUMMARY

LOCATION: 113-N. Kingston Street 5'7" / 11'10" x 10' 6" per acre
Caledonia, Minnesota 412/90

DATE: July 1, 1989

LESSOR: Reinhart Plaza

TENANT: Gateway Foods, Inc.

TERM: 18 years and 2 months commencing July 1, 1989
and expiring August 31, 2007.

OPTIONS TO RENEW: Two 5-year options, exercisable on 6 months'
advance written notice.

FIXED ANNUAL
RENT: \$56,199.04 per year, payable in monthly
installments of \$4,683.17. Rent will be
increased in the option periods based on the
increase in the Consumer Price Index.

PERCENTAGE
RENT: 1-1/2% of gross sales in excess of
\$3,735,648.40 per year, payable annually.

USE: Retail grocery store.

REAL ESTATE TAXES: Paid by Tenant.

UTILITIES: Paid by Tenant.

REPAIR
OBLIGATIONS: Tenant makes all repairs, both structural and
nonstructural.

INSURANCE: Tenant maintains comprehensive general
liability insurance with limits of
\$3,000,000/\$5,000,000/\$1,000,000. Lessor
maintains fire and casualty insurance at
Tenant's expense.

ASSIGNMENT
AND SUBLETTING: Tenant may not assign or sublet without the
written consent of Lessor, which will not be
unreasonably withheld.

ASSIGNMENTS: Don Zietlow assigned his interest in the lease
to D. B. Reinhart by Assignment dated
September 15, 1989.

MDZ:ma/16 [Kingston]

LEASE ASSIGNMENT AND ASSUMPTION

DONALD P. ZIETLOW ("Assignor"), for One Dollar (\$1.00) and other good and valuable consideration to Assignor in hand paid by D. B. REINHART ("Assignee"), the receipt of which is hereby acknowledged, and in consideration of the agreements and undertakings of Assignee hereinafter set forth, by these presents does grant, transfer and assign unto Assignee all of Assignor's right, title and interest in and to those leases described on Exhibit A attached hereto (the "Leases"), effective as of the date hereof.

Assignee hereby assumes and agrees to perform and observe all the undertakings, obligations and covenants which accrue and are to be performed or observed from and after this date by the lessor under the Leases.

Dated: September 15, 1989.

ASSIGNEE:

D. B. Reinhart
D. B. Reinhart

ASSIGNOR:

Donald P. Zietlow
Donald P. Zietlow

STATE OF Wisconsin)
COUNTY OF Lafayette) SS.

Personally came before me this 11th day of September, 1989, the above-named D. B. Reinhart, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Thomas J. Kuefer
Notary Public, State of Wisconsin
My Commission is permanent

[Notarial Seal]

STATE OF Wisconsin)
COUNTY OF Lafayette) SS.

Personally came before me this 11th day of September, 1989, the above-named Donald P. Zietlow, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Thomas J. Kuefer
Notary Public, State of Wisconsin
My Commission is permanent

[Notarial Seal]

This document was drafted by:

Michael D. Zeka
Minahan & Peterson, S.C.
Suite 2200
411 East Wisconsin Avenue
Milwaukee, WI 53202-4499

MDZ:ma/17

EXHIBIT A

LEGAL DESCRIPTION

113 N. Kingston Street
Caledonia MN

Outlot "D", Block 4, EXCEPT the NE 10 feet thereof running the entire length of said lot, being approximately 249.55 feet, for the First Addition to the Foltz Addition to the City of Caledonia, according to the plat thereof on file and of record in the Office of the County Recorder in and for Houston County, Minnesota.

21-0717.036

Lease dated July 1, 1989 between Reinhart Plaza and Gateway Foods, Inc.

1989

4/2/90

Per Diane at Houston County assessors office: This legal description matches Ruscott's IGA location at 510 Vista Drive in Caledonia, MN. Ruscott's used to be at 113 N. Kingston but moved in 1987 or 1988.

LEASE
dated as of July 1, 1989
between

REINHART PLAZA as Lessor
and
GATEWAY FOODS, INC. as Tenant

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DATA SHEET

LESSOR: Reinhart Plaza
P. O. Box 1957
La Crosse, WI 54602-1957

TENANT: Gateway Foods, Inc.
1637 St. James Street
P. O. Box 1957
La Crosse, WI 54602

TERM: Eighteen (18) years, two (2) months, commencing
July 1, 1989 and expiring August 31, 2007.

FIXED
MINIMUM
ANNUAL
RENTAL:

Fifty-six Thousand One Hundred Ninety-eight and
04/100 Dollars (\$56,198.04), payable in monthly
installments of Four Thousand Six Hundred Eighty-
three and 17/100 Dollars (\$4,683.17).

ANNUAL
PERCENTAGE
RENT:

The Tenant agrees to pay as additional rental a
sum equal to one and one-half percent (1-1/2%) of
the gross sales (as defined in paragraph 3 herein)
of foodstuffs and merchandise over and in excess
of \$3,735,648.40 per year made upon the Leased
Premises in each one (1) year period commencing
the first day of the first full month following
commencement of the Lease Term ("Lease Year");
such additional rent, if any, shall be payable
within fifteen (15) days after the expiration of
said Lease Year.

LEASED
PREMISES: 113 N. Kingston Street, Caledonia, Minnesota, as
described on attached Exhibit A.

1. Lease of Leased Premises. Lessor is the owner of certain property and improvements legally described on Exhibit A (the "Leased Premises"). Lessor agrees to lease to Tenant and Tenant agrees to lease from Lessor the Leased Premises for the term and at the rental set forth herein and upon the other provisions contained herein.

2. Term. (a) The term of this Lease shall be as set forth on the Data Sheet.

(b) Provided Tenant is not in default under any of the terms or conditions of this Lease, upon the expiration of the original term, Tenant shall have the right and option to extend this Lease for two (2) consecutive terms of five (5) years each by giving Lessor six months' advance written notice before the end of the then-current term. Such extensions shall be on the same terms and conditions as set forth herein.

(c) The annual minimum rent payable during the original term of this Lease is based upon the cost of living for the month of December, 1986, as reflected in the Consumer Price Index for All Items for Moderate-Income Families in Large Cities, as determined by the United States Department of Labor, Bureau of Labor Statistics, based on all items for the year 1967 equaling 100. In the event Tenant exercises its options to extend this Lease beyond the original term the annual rent shall be adjusted in the following manner on the basis of the Consumer Price Index, or, if there shall be no Consumer Price Index, then by the successor of the most nearly comparable successor index thereto (appropriately adjusted to the December, 1986 base):

(1) The index figure for December, 2006 shall be compared with the index figure for December, 1986. The minimum annual rent shall be determined by multiplying the annual minimum rent by a fraction, of which the numerator shall be the index figure for December, 2006, and the denominator the index figure for December, 1986. By way of illustration only, and solely for the purpose of more clearly setting forth the intent of the parties, the following example is hereby provided, based upon certain hypothetical numbers:

Consumer Price Index for December, 1986 = 330
Consumer Price Index for December, 2006 = 396
Increase = 66 points
Increase calculation = $396 - 330 = 20\%$ increase
 $\$56,198.04$ (ann. min. rent) $\times 20\%$ increase = $\$11,239.61$

(2) The annual rent shall be similarly adjusted at the beginning of each additional option period, and increased by the rate of increase in the Consumer Price Index by comparing said index for December of the last year of any extended term with the index for December, 1986.

(3) Notwithstanding any possible provisions to the contrary contained herein, it is agreed by the parties hereto that the annual minimum rent payable hereunder for any lease year during the term hereof shall not be less than that payable in the prior lease year.

3. Rental. (a) The Tenant agrees to pay the rental set forth on the Data Sheet in advance on the first day of each month during the term hereof, payable without demand and without offset or deduction. All payments required hereunder shall be made to the Lessor at the place designated for notices as hereinafter provided, or at such other place as the Lessor may from time to time designate in writing.

(b) The Tenant shall, within fifteen (15) days after the expiration of the lease year, send to the Lessor a statement in writing, signed by an officer of the Tenant, which statement shall show gross sales in said Leased Premises by the Tenant

during the term herein demised. The Tenant agrees to keep an accurate record of its sales in the Leased Premises, which record as well as all other accounts, books and papers referring to such sales shall be available and open to inspection of the Lessor, or its duly authorized representative, at reasonable intervals and times. The Lessor shall have the right, from time to time by its accountants or representatives, to audit all statements of gross sales and in connection with such audits to examine all of Tenant's records of gross sales. If any audit discloses a deficiency in the payment of percentage rental, Tenant shall forthwith pay to Lessor the amount of the deficiency together with interest at the rate of twelve percent (12%) per annum from the date when said payment should have been made. If such audit discloses that the gross sales by Tenant exceed those reported by more than three percent (3%), Tenant shall pay the reasonable costs of such audit and examination. The Lessor agrees to treat all information obtained pursuant to this provision as confidential; provided, however, that Lessor may disclose such information to prospective buyers and/or lenders.

(c) The term "gross sales" as hereinabove used shall include the aggregate volume of all sales of foodstuffs and merchandise or services sold or rendered in, upon, about or resulting from the Leased Premises by the Tenant, whether sold for cash or on a charge basis, less all credits for returned merchandise, merchandise trade-ins, exchanges, merchandise cancellations, allowances, bad debts, discounts and any and all credits of a similar nature. Gross sales shall include sales where orders originate and/or are accepted in the Leased Premises but delivery or performance thereof is made from or at any place other than the Leased Premises. It is mutually agreed that the sum of money which the Tenant is required to pay to any governmental body or agency by reason of any excise, use or sales tax shall not be considered as a part of the gross sales in said Leased Premises for the purpose of computing the additional rent.

4. Compliance With Law. (a) Tenant shall obey, observe and promptly comply with all governmental rules, regulations, ordinances and laws which shall be applicable, now or at any time during the term hereof, to the Leased Premises (including, but not limited to, any underground storage tanks and any other improvements now or hereafter erected on the Leased Premises), and shall promptly comply with all orders, rules, rulings and directives of the Board of Fire Underwriters and of any governmental authority or agency having jurisdiction of the Leased Premises, including, without limitation, existing and outstanding orders and requirements.

(b) Tenant shall not store, use, discharge or dispose of any hazardous or toxic substances, pollutants, contaminants or any other substances regulated by any state or federal statute (collectively "Contaminants") on the Leased Premises in violation of any state or federal statute. If Lessor reasonably believes that Tenant is storing, using, discharging or disposing of any Contaminants in violation of this provision, Lessor may require Tenant, at Tenant's expense, to conduct such tests or inspections as may be necessary to reasonably satisfy Lessor that the terms of this provision have not been violated. If no Contaminants are found as a result of such tests or inspections, Lessor shall pay all costs of such tests or inspections. Tenant shall be solely responsible for the costs of removing or cleaning any Contaminants found on the Leased Premises and caused by Tenant.

5. Use. Tenant shall continuously occupy and use the Leased Premises during the term hereof for the purpose of a retail grocery store supplied by Gateway Foods, Inc. Such use shall not be changed without the express written consent of Lessor.

6. Taxes and Assessments. (a) Tenant shall pay, on or prior to the due date, in addition to all other sums required to

be paid by it under the provisions of this Lease, all taxes, assessments and levies assessed against the Leased Premises, whether general or special, ordinary or extraordinary, of every nature or kind whatsoever, which are due and payable during the term of this Lease (the "Taxes"). Taxes due and payable during a partial lease year shall be prorated and paid accordingly.

(b) If any tax shall be levied, assessed or imposed upon the income arising from the rents payable hereunder, partially or totally in lieu of or as a substitute for any Taxes (other than ordinary income taxes), Tenant and not Lessor shall pay the same.

(c) Tenant shall have the right to contest the legality or validity of any of the Taxes, but no such contest shall be carried on or maintained by it after the time limited for the payment of any such Taxes unless Tenant, at its option, (1) shall pay the amount involved under protest; (2) shall procure and maintain a stay of all proceedings to enforce any collection of the Taxes, together with all penalties, interest, costs and expenses, by a deposit of a sufficient sum of money or by such undertaking as may be required or permitted by law to accomplish such stay; or (3) shall deposit with Lessor, as security for the performance by Tenant of its obligations hereunder with respect to the Taxes, such reasonable security as may be demanded by Lessor to ensure payment of such contested Taxes and all penalties, interest, costs and expenses which may accrue during the period of the contest. In the event any such contest is made by Tenant, then within thirty (30) days after any adverse final determination thereof, it shall fully pay and discharge the amount involved in or affected by any such contest, together with all penalties, fines, interest, costs or expenses that may have accrued thereon or that may result from any such action by Tenant, whereupon Lessor shall return to Tenant all amounts, if any, deposited by Tenant in accordance with the provisions hereof. Lessor shall cooperate with Tenant to the extent required by law, provided the same can be done without any liability to Lessor. All of Lessor's costs and expenses relating thereto shall be paid by Tenant.

(d) Should Tenant fail, within the time provided above, to pay any of the Taxes, including all penalties, fines, interest, costs and expenses, or should Tenant attempt any such contest without complying with the conditions of subparagraph (c) hereof, Lessor may, but shall not be obligated to, pay, discharge, compromise or adjust the payment of the obligation involved or any part thereof. In the event of any sale or sales to enforce or collect the same, Lessor may seek and effect any redemption therefrom as it may deem satisfactory, and Tenant shall repay to Lessor the full amount so paid by Lessor, including any costs, expenses and reasonable attorneys' fees incurred by Lessor, on or before the first day of the next ensuing calendar month, together with interest thereon at the rate of one and one-half percent (1.5%) per month from the date of payment by Lessor.

(e) Lessor shall promptly deliver to Tenant any and all tax notices or assessments which it may receive relating to the Leased Premises.

7. Utilities. (a) Tenant shall pay, as they become due and payable and before they become delinquent, all charges for electricity, heat, air conditioning, water, gas, fuel, telephone, sewage usage or rental, garbage disposal, refuse removal and any other utility service furnished to the Leased Premises (the "Utilities") during the term of this Lease or any renewal or extension thereof. In no event will Lessor be liable for any interruption or failure in the supply of Utilities caused by accident, breakage, repairs or any other cause beyond the control of Lessor.

(b) Tenant agrees to pay for the operation and maintenance of any systems or facilities designed to heat, air condition and ventilate the Leased Premises.

8. Maintenance and Repair. Except as hereinafter provided in connection with damage by fire or other casualty, Tenant, at its sole expense, shall make all repairs and replacements to the Leased Premises, both structural and otherwise, and shall maintain the Leased Premises in good order and repair, and in a safe and sanitary condition. If Tenant refuses or neglects to commence repairs within ten (10) days after receipt of written demand by Lessor, or does not adequately complete such repairs within a reasonable time thereafter, Lessor may make such repairs. If Lessor makes such repairs, Tenant shall pay to Lessor the costs of such repairs plus an amount equal to ten percent (10%) of such costs.

9. Insurance. Tenant shall keep in effect, at its sole expense, a comprehensive general liability policy or policies satisfactory to Lessor covering the Leased Premises and providing coverage with limits of liability of not less than \$3,000,000 for bodily injury to one person, \$5,000,000 for bodily injury to any group of persons as the result of any one accident, and \$1,000,000 for property damage. In the event Lessor reasonably deems such coverage inadequate, Tenant shall, upon the written request of Lessor, increase such insurance to amounts reasonably requested by Lessor. Such policy shall name Lessor as an additional insured, and a copy of such policy, or a certificate thereof, shall be delivered to Lessor.

10. Fire and Casualty Insurance. Lessor, at the expense of Tenant, shall keep the buildings and improvements now or hereafter located on the Leased Premises insured against loss by fire or other casualty with extended coverage in an amount equal to the full insurable value thereof, and in an amount sufficient to avoid any coinsurance penalty, and against loss by boiler explosion in an amount deemed adequate by Lessor. Lessor may at its option also procure, at Tenant's expense, use and occupancy insurance in the amount of up to one year's rental hereunder. Tenant shall, upon demand of Lessor, pay to Lessor the cost of all such insurance. Lessor shall furnish to Tenant certificates or other evidence indicating that such insurance is in effect.

11. Additions, Changes, Alterations and Demolition. Except as otherwise provided herein, Tenant shall not construct or demolish improvements upon the Leased Premises or make additions to, or structural changes or alterations in and upon, any or all of such improvements, or other improvements upon the Leased Premises, without the written consent of Lessor which will not be unreasonably withheld. Such work shall be performed in a good and workmanlike manner at the sole expense of Tenant. Tenant shall not permit, create, incur or impose or cause or suffer others to permit, create, incur or impose any lien or other obligation against the Leased Premises or Lessor by reason of any work upon the Leased Premises, and Tenant agrees to hold Lessor harmless of and from any and all claims or demands by any contractor, subcontractor, materialman, laborer or any other third person against the Leased Premises or Lessor relating to or arising because of any work thereon. Any improvements or additions upon the Leased Premises at the expiration of this Lease shall be deemed a part of the Leased Premises, and shall be surrendered to Lessor in good condition and repair, reasonable wear and tear and damage by fire or other casualty not occurring through the neglect of Tenant excepted. The provisions of this paragraph shall not apply to such items as are ordinarily designated as trade fixtures, temporary partitions or similar installations which may, from time to time, be installed in the Leased Premises under the provisions of paragraph 12 hereof.

12. Trade Fixtures. (a) Tenant may during the term of this Lease install such fixtures, equipment and appliances as may

be reasonably necessary for the conduct of its business upon the Leased Premises ("Trade Fixtures"). Tenant agrees that it will not create, incur or impose or suffer or cause others to create, incur or impose any lien or obligation against the Leased Premises or Lessor by reason of the installation herein authorized. Tenant agrees to hold Lessor harmless of and from any and all claims and demands of third persons in any manner relating to or arising out of such installation.

(b) Subject to the provisions of subparagraph (c) hereof, the Trade Fixtures may be affixed to the Leased Premises and Tenant may remove the same at will, and shall remove the same at the termination of this Lease if so requested by Lessor. All damages incurred to the Leased Premises as a result of any affixation or removal hereunder shall be promptly repaired by and at the sole cost and expense of Tenant. Any Trade Fixtures not removed as herein permitted or required shall, at the option of Lessor, be deemed abandoned by Tenant, to be disposed of by Lessor as its sole property.

(c) In no event shall Lessor have a lien on Tenant's Trade Fixtures as a result of any default hereunder.

13. Entry for Inspection. Lessor, its representatives, its mortgagees and their representatives shall have the right, during business hours, to enter upon the Leased Premises for the purpose of examining and inspecting the same and of showing the said premises to prospective tenants or purchasers; said inspection, however, shall not unreasonably interfere with the business of Tenant. Tenant shall permit "For Sale" signs to be placed upon the Leased Premises at any time and "For Rent" signs within six (6) months prior to the expiration of this Lease.

14. Warranty of Quiet Possession. Lessor represents and warrants that it has good and indefeasible title in fee simple to the Leased Premises and has full right and authority to execute this Lease. Tenant, upon paying rent at the time and manner aforesaid, and performing and keeping all of the covenants and conditions of this Lease by it to be kept and performed, shall quietly have, hold and enjoy the Leased Premises during the term hereof.

15. Damage by Fire or Other Casualty. (a) In the event the Leased Premises are damaged by the elements or fire or other casualty insured under paragraph 10 hereof, but are not thereby rendered untenable in whole or in part, the same shall be repaired by and at the expense of Lessor. Rental and other sums due hereunder shall not abate during the period of repair.

(b) Any provisions of this Lease to the contrary notwithstanding, Lessor may, at its option, terminate this Lease in the event the Leased Premises are rendered untenable in whole by the elements or fire or other casualty. Lessor shall exercise its option hereunder by written notice to Tenant given within thirty (30) days after the event causing such loss, damage or destruction, termination to be effective as of the date of said notice. In the event Lessor does not elect to exercise its option hereunder, Lessor shall proceed to rebuild the Leased Premises pursuant to subparagraph (a) above.

16. Assignment and Subletting. Tenant shall not assign this Lease nor sublet or license the use of any portion of the Leased Premises without the prior written consent of Lessor which will not be unreasonably withheld. Any assignee of Tenant shall expressly assume Tenant's liabilities and obligations under this Lease. No assignment, subleasing or licensing shall release Tenant from any of its obligations hereunder. Tenant shall not mortgage or otherwise encumber its leasehold interest hereunder without the prior written consent of Lessor.

17. Eminent Domain. (a) If all of the Leased Premises are taken by the exercise of the power of eminent domain, or sold under the threat of eminent domain, this Lease shall terminate as of the date possession is taken by the condemnor. The entire compensation award shall belong to Lessor and Tenant shall have no interest therein, provided, however, that Tenant shall have the right to any proceeds specifically awarded for the taking of any of Tenant's personal property, Trade Fixtures or for Tenant's moving expenses, or any other award of a similar nature made directly to Tenant by the condemning authority other than for the value of Tenant's leasehold interest herein.

(b) If less than all of the Leased Premises is taken by the exercise of the power of eminent domain, or sold under the threat of eminent domain, Lessor and Tenant shall have the right to terminate this Lease if in their respective reasonable judgment the premises remaining are such that the continued use for the purpose for which the same were being used immediately prior to such taking is reasonably impractical or economically imprudent. Termination shall be effective on the date possession is taken by the condemnor. The option to terminate herein granted shall be exercised in writing by Lessor or Tenant within ten (10) days after the date of the taking of possession by the condemnor. The entire compensation award shall belong to Lessor, provided, however, that Tenant shall have the right to any proceeds specifically awarded for the taking of any of Tenant's personal property, Trade Fixtures or for Tenant's moving expenses, or any other award of a similar nature made directly to Tenant by the condemning authority other than for the value of Tenant's leasehold interest herein. If this Lease is not terminated, Lessor shall, with reasonable diligence, restore any improvements upon the Leased Premises affected by the taking (other than improvements constructed by Tenant at Tenant's expense), but shall not be obligated to spend for such restoration any amount in excess of the amount awarded or paid to it by the condemnor for such purpose. During the period of restoration and thereafter rental shall abate proportionately to the reduction in space of the Leased Premises taken by partial condemnation and while not replaced by restoration.

18. Defaults and Remedies. (a) The occurrence of any one or more of the following shall constitute a default by Tenant:

(1) Failure by Tenant to pay the rent or to make any other payment required to be made by Tenant hereunder when due and such failure continues for ten (10) days after written notice to Tenant;

(2) The making by Tenant of an assignment for the benefit of its creditors;

(3) The operation or supervision of the business conducted in the Leased Premises by a creditors' committee, or by anyone other than Tenant or Tenant's subtenants or assigns;

(4) The levying of a writ of execution or attachment on or against the property of Tenant located on the Leased Premises which is not removed within sixty (60) days;

(5) The doing or permitting to be done by Tenant of any act which results in the filing of a mechanic's lien or claim therefor against any part of the Leased Premises which is not removed within sixty (60) days;

(6) The taking of any action for the voluntary dissolution of Tenant;

(7) If proceedings are instituted in a court of competent jurisdiction for the reorganization, liquidation or involuntary dissolution of Tenant, or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of

the property of Tenant, and said proceedings are not dismissed and any receiver, trustee or liquidator appointed therein discharged within sixty (60) days after the institution of said proceedings; and

(8) The failure of Tenant to perform any other of its covenants under this Lease for thirty (30) days after written notice thereof by Lessor to Tenant.

(b) In the event of any default by Tenant hereunder, Tenant hereby authorizes and empowers Lessor to:

(1) Cancel and terminate this Lease and immediately reenter and take possession of the Leased Premises without the requirement of any previous notice of intention to reenter, and remove all persons and their property therefrom using such force and assistance in effecting and protecting such removal as Lessor may deem reasonably necessary to recover full and exclusive possession of the Leased Premises; or

(2) Reenter and take possession of the Leased Premises in the manner provided in subparagraph (1) above without such reentry constituting a cancellation or termination of this Lease or a forfeiture of any rental, Taxes or other monies to be paid hereunder or of the covenants, agreements and conditions to be kept and performed by Tenant for and during the remainder of the term hereof.

(c) In the event Lessor reenters and takes possession of the Leased Premises as set forth in subparagraph (b)(2) above:

(1) Lessor shall have the right but not the obligation to divide or subdivide the Leased Premises in any manner it may reasonably determine and to lease or let the same or portions thereof for such periods of time, at such rentals, for such use and upon such terms, covenants and conditions as it may reasonably elect, applying the net rentals from such letting first to the payment of its expenses incurred in dispossessing Tenant, the costs and expenses of making such improvements in the Leased Premises as may be reasonably necessary to enable it to relet the same, and to the payment of any brokerage commissions or other necessary expenses incurred in connection with such reletting. The balance, if any, shall be applied by Lessor, from time to time, but in any event no less than once each month, on account of the payments due or payable by Tenant hereunder.

(2) Lessor may, from time to time, bring such actions or proceedings for the recovery of any deficits remaining unpaid or to enforce any other covenant or condition herein contained as it may deem advisable without being obligated to await the end of the term hereof for a final determination of Tenant's account.

(3) Any balance remaining after full payment and liquidation of all payments due Lessor as aforesaid shall be paid to Tenant at the end of the term hereof, with the right reserved to Lessor at any time to give notice in writing to Tenant of its election to cancel and terminate this Lease and all of Tenant's rights and obligations hereunder, and, upon the giving of such notice and the simultaneous payment by Lessor to Tenant of any credit balances in Tenant's favor that may at the time be owing to it shall constitute a final and effective cancellation and termination hereof and the obligations hereunder on the part of either party to the other.

(d) Tenant will, at the expiration or termination of this Lease, yield up possession to Lessor, and failing so to do, at Lessor's option, will pay liquidated damages for each day possession is withheld, in an amount equal to double the amount of the daily minimum rent, computed on a thirty-day month basis; provided, however, that Lessor's right to recover such liquidated

damages shall not preclude Lessor from recovering any greater amount of damages sustained by it or as otherwise allowed by law.

(e) Nothing contained in this section 18 shall exclude any other right or remedy allowed by law to Lessor, nor shall the invalidity or unenforceability of any one right or remedy affect or impair the validity or enforceability of any other right or remedy.

19. Abandonment of Tenant's Property. If Tenant fails to remove any property belonging to it within thirty (30) days after the termination of this Lease (whether by lapse of time or otherwise but excepting termination resulting from or upon acquisition of the Leased Premises by Tenant), the same shall be deemed abandoned by Tenant and shall, at Lessor's option, become the property of Lessor, or may be removed from the Leased Premises by Lessor at the expense of Tenant.

20. Enforcement Costs. Tenant shall pay all costs, reasonable attorneys' fees and expenses that may be incurred by Lessor in enforcing the provisions of this Lease.

21. Holding Over by Tenant. If Tenant holds over or remains in possession or occupancy of the Leased Premises after the expiration of this Lease with Lessor's written consent, such holding over or continued possession or occupancy shall create only a tenancy from month to month at the last monthly rental and upon the same terms and conditions herein contained (other than the length of term), which may at any time be terminated by either Lessor or Tenant giving to the other thirty (30) days' written notice.

22. Surrender at Termination. At the termination of this Lease for any reason, Tenant shall quietly and peaceably surrender possession of the Leased Premises (and any improvements located thereon) to Lessor, in good order, condition and repair and broom-clean and free of any and all claims, including, but not limited to, claims by Tenant or any party holding under Tenant.

23. Payments to be Additional Rental. All payments to be made by Tenant hereunder, whether or not designated as rental, shall be deemed rental, so that in default of payment when due, Lessor shall be entitled to all of the remedies available at law or equity, or under this Lease, for the nonpayment of rental.

24. Subordination; Attornment. (a) At Lessor's option, this Lease shall be subordinated to any existing mortgages covering the Leased Premises, any extension or renewal thereof, or to any new mortgages which may be placed thereon from time to time; provided, however, anything to the contrary contained herein notwithstanding, every such mortgagee and assignee thereof shall recognize the validity of this Lease in the event of a foreclosure of Lessor's interest as long as Tenant shall not be in default under any of the terms of this Lease. Tenant shall execute at its cost whatever instruments may be required to effect such subordination.

(b) In the event any proceedings are brought for the foreclosure of the Leased Premises, or in the event of exercise of the power of sale under any mortgage made by Lessor covering the Leased Premises, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as lessor under this Lease, provided such purchaser assumes and agrees to perform the prospective obligations of Lessor hereunder.

(c) In the event any mortgagee shall elect to have this Lease have priority to the lien of its mortgage, then, upon notice to Tenant thereof, this Lease shall thereupon be deemed prior to the lien of any such mortgage. The provisions of this

paragraph shall include deeds of trust and similar security instruments.

25. Lessor's Right to Cure; Interest. In the event of a default by Tenant, Lessor, at its option, may perform any obligation of Tenant under this Lease. Tenant shall pay to Lessor the cost of performing such obligation within five (5) days of receipt of a statement therefor. Any amounts so owing, all rent and any other payments to be made hereunder by Tenant to Lessor shall bear interest to be paid by Tenant from and after the due date thereof to the date of payment at the rate of one and one-half percent (1.5%) per month.

26. Notices. Any notice required or permitted under this Lease may be personally served or given and shall be deemed sufficiently given or served if sent by registered or certified mail, with postage prepaid thereon, to the respective addresses set forth on the Data Sheet. Either party may by like notice at any time, and from time to time, designate a different address to which notices shall be sent. Notices given in accordance with these provisions shall be deemed received when mailed. Any payment required under this Lease shall be deemed made on the date mailed if sent by ordinary mail, with postage prepaid thereon, to the address of the recipient set forth above, provided, however, if payment is by check it shall be deemed made on the date mailed only if such check is paid by the bank upon which it is drawn upon presentation for payment.

27. General. No waiver of any default of Tenant hereunder shall be implied from any omission by Lessor to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers of any breach of any covenant, term or condition of this Lease by Lessor shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by Lessor to or of any act by Tenant requiring Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent or approval to or for any subsequent similar act by Tenant. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions. The laws of the state in which the Leased Premises are situated shall govern the validity, performance and enforcement of this Lease. The headings of the several articles contained herein are for convenience only and do not define, limit or construe the contents of such articles. The term "Tenant" as used herein shall mean Tenant as defined on the Data Sheet and all other permitted assignees and transferees of Tenant's interest in this Lease. Time is of the essence as to all provisions of this Lease.

28. Successors and Assigns. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors and assigns.

29. Limitation of Liability. Lessor's liability hereunder is limited to Lessor's interest in the Leased Premises.

30. No Partnership. This Lease does not create a joint venture or partnership relationship between the parties hereto.

31. Authority. Lessor and Tenant hereby warrant and represent to each other that the individuals executing this Lease on their respective behalf have full right and authority to do so.

32. Estoppel Certificates. (a) At any time and from time to time Tenant shall, within twenty (20) days after written request therefor from Lessor, deliver to Lessor a statement in writing certifying that this Lease is in full force and effect,

setting forth all modifications or amendments which exist with respect thereto, the dates to which rent and any additional payments due hereunder have been paid, the balance of any security deposit held by the other party, all known breaches by the other party of the terms, covenants and conditions hereof, and any other information requested by Lessor.

(b) Reliance Upon Statement. Any statement delivered to Lessor as required by this section may be relied upon by any purchaser, mortgagee or assignee of all or any part of Lessor's interest.

(c) Failure to Furnish Statements. The failure of Tenant to furnish the statement required hereby within the said twenty (20) day period shall be deemed to be an acknowledgment by Tenant that this Lease is in full force and effect, without modification or amendment, that the rent and additional charges have been paid in full to and including the respective due dates therefor immediately preceding the date of such request, that no rent has been paid in advance of the due date therefor as set forth herein, that no security deposit is held by Lessor, and that Lessor has performed all of the terms, covenants and agreements required of it hereunder.

33. Submission of Lease. The submission of this Lease for examination does not constitute a reservation of or option for the Leased Premises, and this Lease shall become effective as a lease only upon execution, delivery and receipt thereof by Lessor and Tenant.

34. Net Lease. It is the purpose and intent of the parties hereto that the rent herein reserved is absolutely net to the Lessor and that all costs, fees, charges, expenses and obligations of every kind, relating to the Leased Premises, including without limitation all Taxes, Utilities, insurance, assessments, costs, fees, charges, expenses and obligations herein mentioned, shall be paid and discharged by the Tenant except as otherwise expressly provided herein.

35. Accord and Satisfaction. No payment by Tenant or receipt by Lessor of a lesser amount than the full rental due or the full amount of any other payments to be made by the Tenant hereunder shall be deemed to be other than on account of the earliest stipulated unpaid installment thereof, nor shall any endorsement or statement on any check or letter accompanying any check or payment be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's right to recover an amount due hereunder or pursue any other remedy provided in this Lease.

IN WITNESS WHEREOF, this Lease has been executed as of the day and year first above written.

LESSOR:

REINHART PLAZA

By: [Signature]

By: [Signature]

TENANT:

GATEWAY FOODS, INC.

By: [Signature]

Attest: [Signature]

EXHIBIT A

LEGAL DESCRIPTION

113 N. Kingston Street
Caledonia MN

Outlot "D", Block 4, EXCEPT the NE 10 feet thereof running the entire length of said lot, being approximately 249.55 feet, for the First Addition to the Foltz Addition to the City of Caledonia, according to the plat thereof on file and of record in the Office of the County Recorder in and for Houston County, Minnesota.

LEASE SUMMARY

7034

LOCATION: 1020 Industrial Boulevard
Spring Valley, Minnesota

DATE: July 1, 1989

LESSOR: Reinhart Plaza

TENANT: Gateway Foods, Inc.

TERM: 17 years and 11 months commencing July 1, 1989
and expiring May 31, 2007.

OPTIONS TO RENEW: Two 5-year options, exercisable upon 12
months' advance written notice.

FIXED ANNUAL
RENT: \$84,984.96 per year, payable in monthly
installments of \$7,082.08.

PERCENTAGE RENT: An amount equal to 1-1/2% of gross sales in
excess of \$5,200,000 per year.

USE: Retail grocery store.

REAL ESTATE TAXES: Paid by Tenant.

UTILITIES: Paid by Tenant.

REPAIR
OBLIGATIONS: Tenant makes all repairs, both structural and
nonstructural.

INSURANCE: Tenant maintains comprehensive general
liability insurance with limits of
\$3,000,000/\$5,000,000/\$1,000,000. Lessor
maintains fire and casualty insurance at
Tenant's expense.

ASSIGNMENT
AND SUBLETTING: Tenant may not assign or sublet without the
written consent of Lessor, which will not be
unreasonably withheld.

ASSIGNMENTS: Don Zietlow assigned his interest in the lease
to D. B. Reinhart by Assignment dated
September 15, 1989.

MDZ:ma/16 {1020}

LEASE ASSIGNMENT AND ASSUMPTION

DONALD P. ZIETLOW ("Assignor"), for One Dollar (\$1.00) and other good and valuable consideration to Assignor in hand paid by D. B. REINHART ("Assignee"), the receipt of which is hereby acknowledged, and in consideration of the agreements and undertakings of Assignee hereinafter set forth, by these presents does grant, transfer and assign unto Assignee all of Assignor's right, title and interest in and to those leases described on Exhibit A attached hereto (the "Leases"), effective as of the date hereof.

Assignee hereby assumes and agrees to perform and observe all the undertakings, obligations and covenants which accrue and are to be performed or observed from and after this date by the lessor under the Leases.

Dated: September 15, 1989.

ASSIGNEE:

D. B. Reinhart
D. B. Reinhart

ASSIGNOR:

Donald P. Zietlow
Donald P. Zietlow

STATE OF Wisconsin)
COUNTY OF LaCrosse) SS.

Personally came before me this 11th day of September, 1989, the above-named D. B. Reinhart, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Thomas J. Phillips
Notary Public, State of Wisconsin
My Commission is permanent

[Notarial Seal]

STATE OF Wisconsin)
COUNTY OF LaCrosse)

Personally came before me this 11th day of September, 1989, the above-named Donald P. Zietlow, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Thomas J. Phillips
Notary Public, State of Wisconsin
My Commission is permanent

[Notarial Seal]

This document was drafted by:

Michael D. Zeka
Minahan & Peterson, S.C.
Suite 2200
411 East Wisconsin Avenue
Milwaukee, WI 53202-4499

MDZ:ma/17

EXHIBIT A

LEGAL DESCRIPTION

Lots 3, 4, 5 & 6 all in Block 2 of Spring Valley,
Minnesota Industrial Park Subdivision.

Lease dated July 1, 1989 between Reinhart Plaza and Gateway
Foods, Inc.

LEASE
dated as of July 1, 1989
between
REINHART PLAZA as Lessor
and
GATEWAY FOODS, INC. as Tenant

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