$30.00

Sentry Store Lease

AMENDMENT TO LEASE

THIS AGREEMENT made this 27 day of October, 1977, by and between ROBERT J. KENNEY, hereinafter referred to as "Landlord", and GODFREY COMPANY, a Wisconsin corporation of Waukesha, Wisconsin, hereinafter referred to as "Tenant".

WITNESSETH:

WHEREAS, Landlord entered into a Lease Agreement dated October 21, 1977 with Tenant for the leasing of store premises known as 801 N. Wisconsin, Elkhorn, Wisconsin, and

WHEREAS, under paragraph 3 (b) "RENTALS" the Landlord and Tenant agree that upon completion of physical improvements to this project, the lease shall be amended establishing annual rentals to be paid.

NOW THEREFORE, the Landlord and Tenant agree to amend the lease on the following terms and conditions:

1. The primary term of twenty (20) years shall commence on November 1, 1977.

2. Commencing November 1, 1977, the annual rental shall be Fifty Three Thousand Seven Hundred Twelve ($53,712.00) Dollars, payable in advance monthly installments of Four Thousand Four Hundred Seventy-Six ($4,476.00) Dollars.

The building, remodeling and improvements contemplated in paragraph 4 of the Lease having been fully completed to the satisfaction of Landlord and Tenant, Tenant having delivered to Landlord a satisfactory completion certificate, and all other requirements, including payment of the agreed sum of Four Hundred Forty-Three Thousand Six Hundred ($443,600.00) Dollars having been paid and fully satisfied, the Tenant hereby waives its option to purchase, and the provisions of subparagraph 4 (d) with respect thereto are and shall be of no further force and effect.

All other terms and conditions in the original Lease dated October 21, 1977 shall remain in full force and effect.

Copy faxed to Gary Walker 7/12/9.
Copy to Bob Rowland 7/12/9.

IN WITNESS WHEREOF, ROBERT J. KENNEY, Landlord, and GODFREY COMPANY, Tenant, have caused these presents to be signed and its seal to be affixed this 27th day of October, 1977.

Robert J. Kenney

GODFREY COMPANY

By _____
President

and _____
Vice President

LEASE

This indenture made this 21st day of October, 1977, by and between Robert J. Kenney, of Elkhorn, Wisconsin, hereinafter called the "Landlord", and GODFREY COMPANY, a Wisconsin corporation of Waukesha, Wisconsin, hereinafter called the "Tenant."

WITNESSETH:

The Landlord is the owner of certain real estate having approximately 355 feet of frontage on State Highways 67, 15 & 12 in the City of Elkhorn, County of Walworth, State of Wisconsin, more particularly described on Exhibit "A" attached hereto and made a part hereof, hereinafter referred to as the demised premises, and

WHEREAS, the Tenant is desirous of developing and leasing the building on the demised premises as shown on Exhibit "B" attached hereto and made a part hereof, consisting of approximately 19,500 square feet of first floor area.

NOW THEREFORE, the Landlord does hereby lease, demise, and let unto said Tenant, and Tenant agrees to lease for good consideration, receipt of which is hereby acknowledged, a commercial building as described above on the demised premises.

1. USE. The leased premises shall be used only for proper and legitimate purposes, and the Tenant shall not use, nor suffer or permit any person to use, the same or any part thereof for any purpose or use in violation of the laws of the United States, or of the state, or of the ordinances of any political subdivision of the state, nor for any immoral or unlawful purpose whatsoever.

2. TERM. The term of this lease shall commence on the 17 day of March, 1977 and continue during the following periods:

(a) The preliminary term commencing on the 17 day of March, 1977, and terminating on the last day of the month in which the completion of the improvements to the Sentry Store building is certified as complete by a registered architect or engineer.

(b) A primary term of twenty (20) years commencing immediately after the expiration of the preliminary term.

3. RENTALS. Tenant agrees to pay and Landlord agrees to accept as rent for the leased premises the following:

(a) During the preliminary term, which shall also be the period for the development of a Sentry Store, rent shall be abated.

investment shall be paid in equal monthly installments on the first day of each month in advance. Cost of land shall be Thirty-Six Thousand Four Hundred and no/100 Dollars. ($36,400.00). Cost of total improvements in addition to the land shall be defined as all costs and expenses in the development and construction of the project described as Project No. 7701, including net amounts paid to contractors, surveyors, architects, engineering, permit cost, site preparation, charges for payments advanced during the period of development and any cost incidental to the development of this project, excluding Landlord's attorney and closing costs. Upon completion of physical improvements to this project, an Amendment to this Lease shall be executed by the Landlord and Tenant agreeing to the commencement date of the primary term, and also to the final determination of annual rentals to be paid.

All payments required to be made by Tenant under this lease shall be payable to Landlord at 25 N. Wisconsin St. Elkhorn, Wis., or at such other place or places as the Landlord may from time to time direct in writing. Such address shall be sufficient for any notice required to be sent to Landlord by Tenant.

4. CONSTRUCTION AND ADVANCES.

(a) The Tenant agrees that it will with due diligence (except delay caused by strike or other event beyond its control), cause to be constructed and completed on the demised premises, according to plans and specifications, known as Job No. 7701, approved by the Landlord, a Sentry Retail Store building, parking lot, paving, lighting, curb cuts and driveways. Tenant will pay or cause to be paid the cost of all labor and material furnished thereford, and cause to be discharged all liens or lien claims against the demised premises on account thereof. Tenant will pay for the City of Elkhorn storm sewer assessment and all utility connection charges. Tenant will be responsible for the carrying of contractor's risk and similar insurance during the construction period.

(b) Landlord and Tenant agree that all remodeling and improvement costs hereunder shall be performed by a mutually agreeable company, and the work to be let by competitive bidding or a negotiated contract at the election of the Tenant.

(c) Tenant shall deliver to the Landlord a completion certificate executed by the registered architect or engineer who supervised the construction, stating that all work has been completed in accordance with the plans and specifications approved by Landlord. Tenant shall also deliver to Landlord satisfactory evidence that the structure is free from mechanics, materials and construction liens, and that no such liens will be filed. Upon delivery of the completion certificate and waivers, the Landlord agrees to pay the Tenant, the lesser of the sum of Four Hundred Forty-Three Thousand Six Hundred and no/100 Dollars ($443,600.00), or the amount actually expended by the Tenant for the construction and completion of development know as Job No. 7701, excluding trade fixtures. In no event shall the Landlord be required to invest more than Four Hundred Eighty Thousand and no/100 Dollars ($480,000.00) including the land valued at Thirty-Six Thousand Four Hundred and no/100 Dollars ($36,400.00).

(d) If the Landlord does not pay the Tenant the amount provided for in 4. (c) above when the building is completed and ready for occupancy, the Tenant shall have the option of purchasing the land as described on Exhibit "A" for the sum of Thirty-Six Thousand Four Hundred and no/100 Dollars ($36,400.00). That pending conveyance of the deed upon the exercise of the option, the Tenant shall be entitled to occupancy of the land at no cost, although it will be obligated to pay taxes and assessments on the property. That such conveyance will be by warranty deed, and Landlord will not encumber the land. In the event the Landlord refuses to convey, after proper tender from Tenant, Tenant shall be entitled to use the property as it's own, and Landlord shall pay all expenses of Tenant necessary to enforce this provision.

5. REPAIRS, MAINTENANCE AND STRUCTURAL ALTERATIONS. The Tenant shall maintain and repair in all respects the interior and exterior of the improvements on the leased premises, and the parking areas on said leased premises, in a reasonably good state of repair except for damage by accidental fire, the elements, or other accidents not happening through neglect. The Tenant may make, at his own expense, any alteration or improvement in or on the leased premises it may deem necessary or desirable for its purpose provided, however, the Tenant shall first have submitted plans of the proposed alterations or improvements to the Landlord, and shall have written approval for the making of such alterations or improvements, which shall not be unreasonably withheld. The Tenant further agrees that it will hold harmless the Landlord for any claims arising from any alteration or improvements made by the Tenant on the leased premises.

6. TAXES AND ASSESSMENTS. During the primary term the Tenant shall pay, as additional rent, all real property taxes levied against the leased premises during the term of this lease. It is agreed, however, that for the first and last calendar year falling partially with the term of this lease, Tenant shall pay only such fraction of the real property taxes and assessments levied during such calendar year as the portion of such calendar year falling within the lease term bears to the entire calendar year. If after the date hereof any new special assessments are levied against the leased premises for public improvements, the Tenant shall be obligated to pay as additional rent, only such portion of the total special assessment as the unexpired term of the lease from the date of levy of the assessment bears to the full term of the lease. For purposes of this lease, the date of levy of all real property taxes shall be deemed to be the third Monday of December in the calendar year for which the taxes are levied and in which such taxes become a lien on the property. The date of levy of any special assessment shall be deemed to be the third Monday of December first following the date of determination of such assessment by the governing body levying the assessment.

taxes or special assessments shall become fully accrued, fixed, absolute, definite and final on the date of levy thereof. The arrival of the date of levy shall be deemed to be the occurrence of the final event which determines the fact of Tenant's liability for such real property taxes or special assessments, and Tenant shall thereupon be required and obligated to pay such real property taxes or special assessments.

7. SUBLEASING. Tenant shall not assign this lease in any way nor shall the leased premises be subleased in whole or in part without the written consent of the Landlord first had and obtained which shall not be unreasonably withheld. The subleasing provision shall not apply to Tenant assigning or subleasing to its subsidiary or franchise dealer. In the event of assignment or subleasing to any party whomsoever, Tenant shall remain primarily liable hereunder notwithstanding that such assignee shall assume to carry out and perform under all the terms and conditions of this lease.

8. LOSS OR DAMAGE TO PREMISES. If the premises are partially damaged by fire or other unavoidable casualty and the same shall become untenantable, except for wanton destruction by Landlord, the Tenant shall repair such damage as speedily as practicable, and the rent during such period shall not abate until said premises shall again be made tenantable. If, however, the damage shall exceed fifty percent (50%) and the period required to restore said premises shall exceed seven (7) months, the Tenant shall have the option of terminating the lease upon giving the Landlord written notice thereof within thirty (30) days after occurrence of such damage, and if Tenant so elects to terminate the lease, Landlord shall be entitled to the proceeds of all fire insurance covering said loss or damage. However, if the Tenant desires to restore or replace the premises in approximately the same condition as it was immediately prior to the casualty, the Tenant and Landlord agree that the entire proceeds from the fire insurance coverage shall be applied to such replacement costs and, in the event that this fund is insufficient for the purpose of making the restoration as required by the Tenant, the Tenant shall pay such deficiency. In the event that the insurance proceeds are in excess of the amount needed to complete such repairs and replacements, the balance of such fund shall be paid to Tenant, but Landlord shall not be liable in damages to Tenant for lack of such repair or replacement for reasons beyond its control or for damages caused by uninsured casualty.

...of the leased premises, said lease shall terminate at the option of the Tenant by Tenant giving Landlord written notice thereof within thirty (30) days after occurrence of such damage, and in the event Tenant so elects to terminate the lease, Landlord shall be entitled to the proceeds of all fire insurance covering said loss or damage.

9. PUBLIC UTILITIES BILLS. The Tenant shall furnish and pay all charges for fuel, gas, heating, water, power, and other utilities used on the leased premises.

10. INSURANCE. The Tenant shall procure, maintain and pay for the public liability insurance policy on said premises with limits of $1,000,000 bodily injury, $100,000 property damage, and $250/10,000 medical, with certificates of insurance to be furnished Landlord and/or any mortgagee as additional insured.

The Tenant shall procure, maintain and pay for the fire, extended coverage, and vandalism and malicious mischief insurance policy on said premises in an amount of the maximum insurable value obtainable (said amount shall be agreed to by the Landlord and shall also be an amount acceptable to the mortgagee, if any, naming and Landlord and/or any mortgagee, as their interest may appear, if any, as the assured and shall also procure, maintain, and pay for adequate plate glass insurance. Policies of insurance shall be furnished to the Landlord and shall also be in such form as the Landlord's mortgagee shall require.

11. OPTION TO EXTEND LEASE. If Tenant is not in default under any of the terms of this lease, it shall have three (3) five (5) year successive renewal options on the same terms and conditions. The Tenant shall notify the Landlord of its intention to exercise said option by giving notice in writing at least six (6) months prior to the expiration of the original (or extended) lease period. In the absence of notice of renewal of the option under the provisions of this contract, the lease shall be deemed terminated at the end of the current lease period.

12. FIXTURES AND EQUIPMENT. The Tenant shall have the right to place in or upon the leased premises such fixtures and equipment as may be considered necessary by the Tenant for the operation of its business, and title to such fixtures and equipment shall remain in the Tenant, who shall have the right to remove such fixtures and equipment, whether or not attached to the improvements,

The Tenant shall have the sole privilege of erecting an exterior sign, and other identifications, but same shall not violate restrictions of record, zoning ordinances and regulations. Said signs shall be such as is customarily erected in other stores of Tenant.

13. SUBORDINATION. At the Landlord's option, this lease shall be and is subordinate to any existing mortgages covering said 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 shall recognize the validity of this lease in the event of a foreclosure of the Landlord's interest as long as the Tenant shall not be in default under any of the terms of this lease. The Tenant shall execute whatever instruments may be required to effect such subordination.

14. CONDEMNATION. In the event the leased premises or any part thereof is taken, impaired, or condemned, for a public or quasi-public use and, in the Tenant's judgment reasonably exercised, its operation of the leased premises is rendered uneconomical by a final condemnation or taking in fee of a portion thereof, the Tenant at its option may within thirty (30) days after such occurrence, notify the Landlord that it elects to cancel and terminate this lease, including all of its rights and obligations hereunder, as of the last day of the second calendar month following the date of such notice. The Landlord, at its election, may request an evaluation of "Tenant's judgment, reasonably exercised" and, in this event, the matter shall be resolved through arbitration, with one arbitrator to be appointed by each of the parties hereto, who then are to appoint a third arbitrator at their election.

If the date of cancellation falls within the primary term, the Tenant shall deliver to the Landlord, contemporaneously with the delivery of such notice, an irrevocable written offer to purchase all of the Landlord's then right, title and interest in and to the leased premises (including the Landlord's right in and to any and all existing or prospective condemnation awards) for the sum of the then unamortized book value covering the improvements, together with fair market value for the land, together with an amount equal to the base rental for one (1) month at the then current rate.

cancellation and each party hereto shall have the right to receive and retain for its own account, all compensation theretofore or thereafter awarded for its own right, title and interest so condemned or taken. Any condemnation award under this paragraph shall be subject to the rights of any mortgagee in and to such award.

15. WAIVER OF SUBROGATION. Landlord and Tenant shall each, forthwith after the execution of this lease, procure from and cause each of the insurers under all policies of insurance, now or hereafter during the term hereof existing and purchased by either or both insuring or covering the demised premises or any portion thereof and/or Tenant's business or operations in the leased premises, a waiver of all rights of subrogation which the insurer under said policies might otherwise, if at all, have as against the other hereto, said waiver to be in writing and for the express benefit of the other.

16. NOTICES. All notices hereunder shall be deemed sufficiently served when mailing by registered or certified mail and address to the Landlord: 25 N. Wisconsin St. Elkhorn, Wis

and to Tenant at 1200 West Sunset Drive, Waukesha, Wisconsin 53186, or to such other address as either may give to the other party from time to time by notice as herein provided.

17. OPTION TO PURCHASE. In the event that the Landlord shall, during the period of this lease or any extended period thereof, receive a bonafide offer to purchase the leased premises at a price and on terms which the Landlords are willing to accept, said Landlords shall submit offerer's name and address, as well as said offer to purchase in writing, to the Tenant within ten (10) days of receipt of such offer; and the said Lessee shall have the option within sixty (60) days thereafter to purchase the premises at the same price and on the same terms as contained in said offer. If the Tenant does not exercise said option within said period, all rights of the Tenant to purchase the premises pursuant to said option shall terminate at the expiration of this period, and the Landlord may accept the offer to purchase the leased premises referred to above.

18. SPECIAL CONDITIONS:

(a) The primary source of heat for the leased premises will be a heat reclamation process originating from the Tenant's refrigeration system. Upon termination and vacating the leased premises, the Tenant has a right under paragraph 12 to remove its fixtures and equipment, which results in the heat reclamation process being inoperative. Therefore, the Tenant agrees to replace, at its expense, the heat reclamation coil with a conventional piece of heating equipment as approved by Wisconsin state code.

If Landlord fails to accept such offer to purchase on or before the date of cancellation, or if the date of cancellation is not within the primary term, all rights and obligations of the parties hereto shall cease as of such date of cancellation and each party hereto shall have the right to receive and retain for its own account, all compensation theretofore or thereafter awarded for its own right, title and interest so condemned or taken. Any condemnation award under this paragraph shall be subject to the rights of any mortgagee in and to such award.

15. WAIVER OF SUBROGATION. Landlord and Tenant shall each, forthwith after the execution of this lease, procure from and cause each of the insurers under all policies of insurance, now or hereafter during the term hereof existing and purchased by either or both insuring or covering the demised premises or any portion thereof and/or Tenant's business or operations in the leased premises, a waiver of all rights of subrogation which the insurer under said policies might otherwise, if at all, have as against the other hereto, said waiver to be in writing and for the express benefit of the other.

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(1) Landlord is the owner of the lands described in Exhibit "A", and further certifies that they have title to said lands, per attached title report known as Exhibit "C", attached hereto and made a part hereof. Said lands will be free and clear of any incumbrances, however, the lands will be encumbered subsequent to closing by a first mortgage in favor of an institutional lender in the amount of Four Hundred Thousand ($400,000.00) Dollars.

(2) That the zoning for the project as described in Exhibit "B" is properly zoned for the use as a supermarket for the retailing of foods.

19. MISCELLANEOUS. And the said Tenant, for itself and its successors and assigns, does covenant and agrees to pay the said rent at the times and places in the manner aforesaid during the continuance of said term, to quit and deliver up the said premises to the said Landlord, its successors and assigns, quietly and peaceably, at the end of the said term, in the same condition in which they were at the commencement of said term, reasonable use and wear thereof, and damage by accidental fire, the elements, or other accidents not happening through the neglect of the said Tenant only excepted, and to allow the said Landlord, its successors and assigns, to enter and view the said premises.

And the said Tenant, for itself and its successors and assigns, further provides that these presents are upon the express condition that, if the said Tenant does or shall neglect or fail to perform and observe any of either of the covenants, conditions and stipulations hereinbefore contained, which on its part are to be performed, the said Landlord may lawfully, upon thirty (30) days written notice to Tenant, except in the case of failure to pay rent hereunder, in which case only ten (10) days written notice shall be required, and while such neglect or default continues, and without further notice of demand, either into or upon said premises and repossess the same as of its former estate and expel the said Tenant and those claiming under it, and remove its effects (forcibly, if necessary), without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant; and such expulsion and removal, whether by the direct act of the Landlord, or its assigns, or through the medium of legal proceedings for that purpose instituted, shall not affect the liability of said Tenant or its representatives for the rent past due or future rent to accrue under this lease, but the same shall continue as if such removal or expulsion had not taken place.

Elkhorn as a street. If and when a city street or road is built, Landlord will cooperate with Tenant in seeking approval for the two curb cuts and entranceways, the sums or number to that shown on Exhibit "B" attached hereto.

And the said Landlord for itself and its successors and assigns, does covenant that the said Tenant, its successors and assigns, on paying the said rent and performing all of the covenants aforesaid, shall and may peaceably and quietly hold and enjoy the said demised premises for the terms aforesaid.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Lowell E. Sweet

Robert J. Kenney

Dorothy Rau

Gloria Miller

GODFREY COMPANY

John A. Godfrey, President

William J. Shenkenberg
Vice President