

**Fill in this information to identify the case:**

Debtor 1 OL Enterprises LLC

Debtor 2 \_\_\_\_\_  
(Spouse, if filing)

United States Bankruptcy Court for the: Northern District of Illinois

Case number 18-30056

**Official Form 410****Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

**Part 1: Identify the Claim**

1. Who is the current creditor?	<u>Kimsworth Oaklawn, Inc. as the assignee of Kimsworth Illinois, Inc.</u> <small>Name of the current creditor (the person or entity to be paid for this claim)</small>	
	<small>Other names the creditor used with the debtor</small> _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?  <small>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</small>	<b>Where should notices to the creditor be sent?</b>  <u>Devin Noble (Hinshaw &amp; Culbertson LLP)</u> <small>Name</small> <u>100 Park Avenue</u> <small>Number Street</small> <u>Rockford IL 61101</u> <small>City State ZIP Code</small>  <small>Contact phone</small> <u>815-490-4946</u> <small>Contact email</small> <u>dnoble@hinshawlaw.com</u>	<b>Where should payments to the creditor be sent? (if different)</b>  <u>Devin Noble (Hinshaw &amp; Culbertson LLP)</u> <small>Name</small> <u>100 Park Avenue</u> <small>Number Street</small> <u>Rockford IL 61101</u> <small>City State ZIP Code</small>  <small>Contact phone</small> <u>814-490-4946</u> <small>Contact email</small> <u>dnoble@hinshawlaw.com</u>
<small>Uniform claim identifier for electronic payments in chapter 13 (if you use one):</small> _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____	
	<small>Filed on</small> _____ <small>MM / DD / YYYY</small>	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor? ☒ No  
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_\_

7. How much is the claim? \$ 84,180.13. Does this amount include interest or other charges?  
☒ No  
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
 Limit disclosing information that is entitled to privacy, such as health care information.

Lease / Rejection of Lease

9. Is all or part of the claim secured? ☒ No  
☐ Yes. The claim is secured by a lien on property.

**Nature of property:**

☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.

☐ Motor vehicle

☐ Other. Describe: \_\_\_\_\_

**Basis for perfection:** \_\_\_\_\_

Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ \_\_\_\_\_

Amount of the claim that is secured: \$ \_\_\_\_\_

Amount of the claim that is unsecured: \$ \_\_\_\_\_ (The sum of the secured and unsecured amounts should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ \_\_\_\_\_

Annual Interest Rate (when case was filed) \_\_\_\_\_ %

☐ Fixed

☐ Variable

10. Is this claim based on a lease? ☐ No  
☒ Yes. Amount necessary to cure any default as of the date of the petition: \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff? ☒ No  
☐ Yes. Identify the property: \_\_\_\_\_

**12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?**

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☒ No☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Amount entitled to priority

\$ \_\_\_\_\_

☐ Up to \$2,850\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ \_\_\_\_\_

☐ Wages, salaries, or commissions (up to \$12,850\*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ \_\_\_\_\_

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ \_\_\_\_\_

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ \_\_\_\_\_

☐ Other. Specify subsection of 11 U.S.C. § 507(a)( ) that applies.

\$ \_\_\_\_\_

\* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

**Part 3: Sign Below**

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.☒ I am the creditor's attorney or authorized agent.☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 01/15/2019  
MM / DD / YYYY

/s/ Devin B. Noble

Signature

**Print the name of the person who is completing and signing this claim:**

Name	<u>Devin Butler Noble</u>		
	First name	Middle name	Last name
Title	<u>Attorney</u>		
Company	<u>Hinshaw &amp; Culbertson LLP</u>		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	<u>100 Park Avenue</u>		
	Number	Street	
	<u>Rockford</u>	IL	<u>61101</u>
	City	State	ZIP Code
Contact phone	<u>814-490-4946</u>	Email	<u>dnoble@hinshawlaw.com</u>

**SHOPPING CENTER SUB-SUBLEASE**

<sup>May</sup>  
 7<sup>th</sup> This sub-sublease (herein referred to as "Sub-Sublease" and/or "Lease"), dated as of April 2009, by and between KIMSWORTH ILLINOIS INC., having offices at 3333 New Hyde Park Road, Suite 100, New Hyde Park, New York 11042 (herein referred to as "Subtenant" and/or "Landlord"); and OL ENTERPRISES, LLC, having an address at 2650 Belvidere Road, Waukegan, Illinois 60085 (herein referred to as "Tenant").

**WITNESSETH:**

**WHEREAS**, Chicago Title Land Trust Company, as successor trustee to La Salle National Bank (collectively, "Overlandlord") and F.W. Woolworth Co. heretofore entered into a lease dated November 11, 1977 for certain premises located in the Marketplace of Oaklawn Shopping Center on Cicero Avenue and West 87<sup>th</sup> Street in the City of Oaklawn, Cook County, Illinois ("Landlord's Premises"), therein more particularly described (said lease, together with all amendments thereto being hereinafter collectively called the "Overlease");

**WHEREAS**, F.W. Woolworth Co. has sublet Landlord's Premises to Landlord, pursuant to a sublease dated July 25, 1995 (the "Sublease");

**WHEREAS**, F.W. Woolworth Co. assigned its interest in the Overlease and the Sublease to Woolco Inc. ("Sublandlord") by Lease Assignment dated July 25, 1995 and Woolco Inc. is the present tenant under the Overlease;

**WHEREAS**, Landlord and Tenant now desire to enter into this Sub-Sublease for a 91,032 square foot ground floor portion of Landlord's Premises as shown cross-hatched on Exhibit A attached hereto and made a part hereof, and herein called the "Demised Premises";

**NOW, THEREFORE**, for good and valuable consideration, and intending to be legally bound, Landlord and Tenant agree as follows:

**1. Basic Lease Provisions and Definitions.**

In addition to other terms defined in this Lease, the following terms whenever used in this Lease with the first letter of each word capitalized shall have only the meanings set forth in this Article, unless such meanings are expressly modified, limited or expanded elsewhere herein.

- (A) Shopping Center Location: MARKETPLACE OF OAKLAWN  
 8716 South Cicero Avenue  
 OAKLAWN, ILLINOIS SITE NO. 758
- (B) Demised Premises: The premises identified as "Demised Premises" on Exhibit "A".
- (C) Floor Area: 91,032 square feet of ground floor area. Overlandlord agrees that, at no charge, Tenant shall have the right to use the front entryway, but, if Tenant does use said entryway, then Tenant, at its sole expense, shall maintain, repair and replace any damage caused by Tenant or its contractors, agents and invitees.
- (D) Lease Commencement Date: The date this Lease is fully executed by Landlord and Tenant.
- (E) Rent Commencement Date: Subject to the provisions of the next sentence, the earlier of: (i) one hundred twenty (120) days after the date any portion of the Demised Premises initially opens for business, or (ii) two hundred forty (240) days after Delivery Date and Tenant's receipt of all permits required for Tenant's construction work (see Article 31). Notwithstanding the provisions of the preceding sentence, if the one hundred twenty-fifth (125<sup>th</sup>) calendar day after the Delivery Date occurs after November 1, 2009 and Landlord was not delayed in completing Landlord's Work for any of the reasons stated in Article 23, then the Rent Commencement Date shall be delayed one (1) day for each day after November 1, 2009 that the Delivery Date plus 125 days occurs.

ORIGINAL DOCUMENT  
 DO NOT REMOVE  
 FROM OFFICE

SIL007581  
 OL Enterprises d/b/a  
 Hobo Sublease file

- (F) Lease Term: Commencing on the Lease Commencement Date and ending at 12 noon on the Expiration Date.
- (G) Expiration Date: January 29, 2014.
- (G-1) Additional Terms: See Article 34.
- =====

(H) Base Rent Schedule – Original Term (see Article 2):

<u>FOR EACH LEASE YEAR DURING</u>	<u>ANNUAL BASE RENT</u>	<u>MONTHLY INSTALLMENT</u>
Rent Commencement Date-1/29/14	\$682,740.00	\$56,895.00

(H)(i) Base Rent Schedule – Additional Terms (see Article 34):

<u>FOR EACH LEASE YEAR DURING</u>	<u>ANNUAL BASE RENT</u>	<u>MONTHLY INSTALLMENT</u>
First Additional Term (1/30/14-1/29/19)	\$728,256.00	\$60,688.00
Second Additional Term (1/30/19-1/29/24)	\$773,772.00	\$64,481.00

=====

- (I) Tax Rent: N/A
- (J) Common Area Rent: N/A
- (K) Percentage Rent Rate: N/A
- (L) Security Deposit: None.
- (M) Permitted Use: The retail sales of home improvement items typically found in a HOBO store on the date hereof.
- (N) Landlord's Notice Address: c/o KIMCO REALTY CORPORATION  
(see Article 18) 3333 NEW HYDE PARK ROAD  
SUITE 100  
P.O. BOX 5020  
NEW HYDE PARK, NEW YORK 11042-0020
- (O) Tenant's Notice Address: OL ENTERPRISES, LLC  
2650 Belvidere Road  
Waukegan, IL 60085  
Attention: Mr. Leo Schmidt
- (P) Overlandlord Notice: CHICAGO TITLE LAND TRUST COMPANY  
c/o Robin Realty and Management Co.  
as Agent for Marketplace of Oak Lawn Shopping Center  
1333 North Wells Street  
Chicago, IL 60610
- (Q) Broker: Mark Rashkow (The Shiner Group, LLC)
- (R) Delivery Date: The date Landlord delivers the Demised Premises to Tenant with Landlord's Work completed. Subject to the provisions of Article 23, Landlord agrees to use its good faith efforts to deliver the Demised Premises to Tenant with Landlord's Work completed no later than 90 (ninety) days after the full execution of the Lease.
- (S) Landlord's Work: As defined in Article 40.

FOR INFORMATION ONLY

Tenant's Telephone No.: (847) 263-1240

Tenant's Fax No.: (847) 263-1298

Tenant's Business Name: HOBO

Tenant's Contact Person: Mr. Leo Schmidt  
=====

The following riders and exhibit(s) are hereby incorporated into this Lease and made an integral part of this Lease for all purposes:

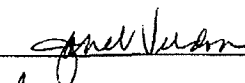
Riders: Rider "A" -- General Lease Provisions.


Exhibit(s): Exhibit "A" -- Site Plan  
Exhibit "A-1" -- Tenant's Outdoor Seasonal Selling Area  
Exhibit "B" -- Tenant's Storefront Sign  
Appendix 1 -- Article 17 of the Overlease  
Appendix 2 -- Article 20 of the Overlease  
=====

IN WITNESS WHEREOF, the parties hereto have executed this Lease under their respective hands and seals as of the day and year first above written.

WITNESSES TO LANDLORD:

LANDLORD:  
**KIMSWORTH ILLINOIS INC.**

  
Beth Oster

By:   
Name: MICHAEL E. PARRY  
Title: PRESIDENT  
Date Signed: 5-4-09

WITNESSES TO TENANT:

TENANT:  
**OL ENTERPRISES, LLC**

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: LEO G. SCHMIDT  
Title: MANAGER  
Date Signed: \_\_\_\_\_  
FEIN #: \_\_\_\_\_

WITNESSES TO OVERLANDLORD:

OVERLANDLORD:  
\_\_\_\_\_

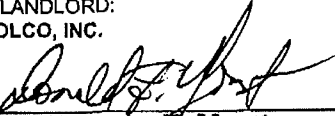
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

WITNESSES TO SUBLANDLORD:

SUBLANDLORD:  
**WOOLCO, INC.**

\_\_\_\_\_  
\_\_\_\_\_

By:   
Name: **DONALD F. YOST**  
Title: **VICE-PRESIDENT**  
Date Signed: \_\_\_\_\_

FOR INFORMATION ONLY

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Tenant's Fax No.: (847) 263-1298

Tenant's Business Name: HOBO

Tenant's Contact Person: Mr. Leo Schmidt  
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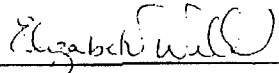
LANDLORD:  
KIMSWORTH ILLINOIS INC.


\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: MICHAEL E. PARRY  
Title: PRESIDENT  
Date Signed: \_\_\_\_\_

WITNESSES TO TENANT:

TENANT:  
OL ENTERPRISES, LLC

By:   
Name: LEO G. SCHMIDT  
Title: MANAGER  
Date Signed: April 17, 2009  
FEIN #: \_\_\_\_\_

WITNESSES TO OVERLANDLORD:

OVERLANDLORD:  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

WITNESSES TO SUBLANDLORD:

SUBLANDLORD:  
WOOLCO, INC.

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

FOR INFORMATION ONLY

Tenant's Telephone No.: (847) 263-1240

Tenant's Fax No.: (847) 263-1298

Tenant's Business Name: HOBO

Tenant's Contact Person: Mr. Leo Schmidt

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Riders: Rider "A" -- General Lease Provisions.

Exhibit(s): Exhibit "A" -- Site Plan  
 Exhibit "A-1" -- Tenant's Outdoor Seasonal Selling Area  
 Exhibit "B" -- Tenant's Storefront Sign  
 Appendix 1 -- Article 17 of the Overlease  
 Appendix 2 -- Article 20 of the Overlease

IN WITNESS WHEREOF, the parties hereto have executed this Lease under their respective hands and seals as of the day and year first above written.

WITNESSES TO LANDLORD:

LANDLORD:  
 KIMSWORTH ILLINOIS INC.

By: \_\_\_\_\_  
 Name: MICHAEL E. PARRY  
 Title: PRESIDENT  
 Date Signed: \_\_\_\_\_

WITNESSES TO TENANT:

TENANT:  
 OL ENTERPRISES, LLC

By: \_\_\_\_\_  
 Name: LEO G. SCHMIDT  
 Title: MANAGER  
 Date Signed: \_\_\_\_\_  
 FEIN #: \_\_\_\_\_

WITNESSES TO OVERLANDLORD:

(See attached rider for the Exculpatory Provision of  
 OVERLANDLORD: Chicago Title Land Trust Company)  
 Chicago Title Land Trust Company, as successor trustee  
 under Trust Agreement dtd Nov 1, 1977 and known as  
 Tr No 52842 and not personally

By: \_\_\_\_\_  
 Name: Harriet Denisewicz  
 Title: Trust Officer  
 Date Signed: May 1, 2009

WITNESSES TO SUBLANDLORD:

SUBLANDLORD:  
 WOOLCO, INC.

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_



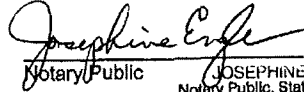
**EXCULPATORY CLAUSE FOR CHICAGO TITLE LAND TRUST COMPANY, AS SUCCESSOR TRUSTEE UNDER TRUST AGREEMENT DATED NOVEMBER 1, 1977, AND KNOWN AS TRUST #52842 ATTACHED TO AND MADE A PART OF SHOPPING CENTER SUB-SUBLEASE DATED APRIL, 2009, (HEREIN REFERRED TO AS "SUBTENANT" AND/OR "LANDLORD"); AND OL ENTERPRISES, LLC (HEREIN REFERRED TO AS "TENANT")**

It is expressly understood and agreed by and between the parties hereto, anything to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against CHICAGO TITLE LAND TRUST COMPANY, on account of this instrument or on account of any warranty, indemnity, representation, covenant or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released. Trustee does not warrant, indemnify, defend title nor is it responsible for any environmental damage. No personal liability shall be asserted or be enforceable against Chicago Title Land Trust Company by reason of any of the terms, provisions, stipulations, covenants, indemnifications, warranties and/or statements contained in this instrument.

LANDLORD ACKNOWLEDGEMENT

State of New York )  
 ) ss.:  
 County of Nassau )

On the 4<sup>th</sup> day of <sup>May</sup>~~April~~, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL E. PARRY, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

  
 Notary Public

JOSEPHINE ENGLE  
 Notary Public, State of New York  
 No. 01EN6098873  
 Qualified in Queens County  
 Certificate on file in Nassau County  
 My Commission Expires 9/22/20 11

TENANT ACKNOWLEDGEMENT

State of )  
 ) ss.:  
 County of )

On the \_\_\_\_\_ day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
 Notary Public

OVERLANDLORD ACKNOWLEDGEMENT

State of )  
 ) ss.:  
 County of )

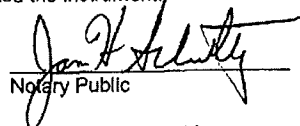
On the \_\_\_\_\_ day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
 Notary Public

SUBLANDLORD ACKNOWLEDGEMENT

State of New York )  
 ) ss.:  
 County of New York )

On the 29<sup>th</sup> day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared **DONALD F. YOST**, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

  
 Notary Public

JAMES H. SCHNITTGER  
 Notary Public, State of New York  
 No. 4760386  
 Qualified in Suffolk County  
 Certificate Filed in New York County  
 Commission Expires February 28, 2011

LANDLORD ACKNOWLEDGEMENT

State of New York )  
 : ss.:  
 County of Nassau )

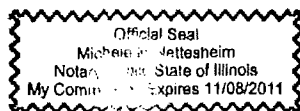
On the \_\_\_\_\_ day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL E. PARRY, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
 Notary Public

TENANT ACKNOWLEDGEMENT

State of Illinois )  
 : ss.:  
 County of Lake )

On the 17<sup>th</sup> day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared LEO G. SCHMIDT, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity as Manager of OL Enterprises, LLC, and that by his/her signature on the instrument, the individual, person or the entity upon behalf of which the individual acted, executed the instrument.



Michelle M. Jettasheim  
 Notary Public

OVERLANDLORD ACKNOWLEDGEMENT

State of )  
 : ss.:  
 County of )

On the \_\_\_\_\_ day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
 Notary Public

SUBLANDLORD ACKNOWLEDGEMENT

State of )  
 : ss.:  
 County of )

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\_\_\_\_\_  
 Notary Public

LANDLORD ACKNOWLEDGEMENT

State of New York )  
 ) ss.:  
 County of Nassau )

On the \_\_\_\_\_ day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL E. PARRY, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
 Notary Public

TENANT ACKNOWLEDGEMENT

State of )  
 ) ss.:  
 County of )

On the \_\_\_\_\_ day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
 Notary Public

OVERLANDLORD ACKNOWLEDGEMENT

State of Illinois )  
 ) ss.:  
 County of Cook )

May,  
 On the 1st day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Harriet Denisevicz, Trust /, Officer of Chicago Title Land Trust Co, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



*Grace Marin*  
 \_\_\_\_\_  
 Notary Public

SUBLANDLORD ACKNOWLEDGEMENT

State of )  
 ) ss.:  
 County of )

On the \_\_\_\_\_ day of April, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
 Notary Public

**RIDER "A"**

THIS RIDER "A" IS ATTACHED TO AND HEREBY MADE A PART OF THE LEASE.

**2. Demised Premises, Term and Lease Year.** The Demised Premises is deemed to contain an amount of square feet of space equal to the Floor Area. The Lease Term shall commence on the Lease Commencement Date. Tenant's duty to pay Rent shall commence on the Rent Commencement Date. The Lease Term shall expire without notice on the Expiration Date. On request, Tenant shall deliver to Landlord a statement in recordable form specifying the Rent Commencement Date and the Expiration Date. The first Lease Year shall commence on the Lease Commencement Date and end on the last day of the calendar month in which occurs the first anniversary of the day immediately preceding the Rent Commencement Date. Each succeeding Lease Year shall be each successive twelve (12) month period.

**3. (A) Base Rent.** From and after the Rent Commencement Date, Tenant shall pay Base Rent at the annual rates specified in the Base Rent Schedule in monthly installments paid in advance on the first day of each calendar month in the amount specified in the Base Rent Schedule. If the Rent Commencement Date is not the first of the month, the Base Rent for that month shall be prorated. All other payments to be made by Tenant pursuant to this Lease are in addition to Base Rent. Tenant shall pay Base Rent and other Rent to Landlord or its designated agent at the address Landlord designates without Landlord making any demand. The obligation to pay Base Rent and other Rent is an independent, unconditional covenant.

**(B) Additional Rent.** Base Rent and all other payments required to be made by Tenant shall be deemed to be, and included in the term, "Rent" which shall be due and payable on demand or together with the next installment of Base Rent, whichever first occurs unless another time is expressly provided for payment. Landlord shall have the same rights and remedies for non-payment of any Rent as for a non-payment of Base Rent.

**(C) Tax Rent.** [Intentionally deleted.]

**(D) Late Rent.** Any Rent not paid when due shall bear interest on the payable amount from the date when due until paid at the Prime Rate plus 5% per annum, or the maximum interest rate permitted by law, whichever is lower (the "Default Interest Rate"). The Prime Rate shall be as announced by Citibank, N.A., as published in The Wall Street Journal.

**4. Delivery; Surrender of Possession.** Landlord agrees that on the Delivery Date, it shall deliver the Demised Premises to Tenant with Landlord's Work completed (see Article 40). Except as expressly set forth herein, Landlord shall have no obligation to spend any money or to perform any work in order to render the Demised Premises fit for Tenant's intended use or occupancy; and Tenant agrees to bear all additional costs associated therewith. Except as expressly set forth herein, Tenant accepts the building and improvements on the Demised Premises in their present "as is" condition, subject to completion of Landlord's Work and also subject to any latent defects in Landlord's Work discovered within the first Lease Year. Without limiting the generality of the foregoing, Tenant accepts the facade of the Demised Premises in "as is" condition. At the expiration of the Lease Term, Tenant agrees to surrender to Landlord physical possession of the Demised Premises, including but not limited to the HVAC, plumbing and electrical systems, conveyor system, if any, in working condition (normal wear and tear excepted), and upon Landlord's request, and Tenant shall surrender the Demised Premises free and clear of all tenants and occupants and the rights of either, and Tenant shall indemnify and save Landlord harmless from any and all claims, liabilities, costs, expenses and damages which may result from Tenant's surrender of the Demised Premises and the failure of Tenant to comply with the provisions of this Article 4.

**5. Title.** The Landlord herein is not the owner of the premises of which the Demised Premises are a part but holds possession of same by virtue of the following agreement or agreements, and, with the consent of Overlandlord and Sublandlord (as evidenced by their respective signatures to this Lease), Landlord has the full authority, right and power to enter into this Lease and to grant Tenant the rights and privileges herein contained:

- a. the Overlease; and
- b. the Sublease.

Landlord has provided Tenant copies of the Overlease and of the Sublease which Landlord represents are true and complete copies thereof. Landlord represents that each of the Sublease and Overlease are in full force and effect and Landlord has received no notice nor has any knowledge of any default under either of the Overlease or Sublease. Subject to the provisions of Paragraph 42, this Sub-Sublease is expressly subject and subordinate to all of the terms, covenants, and conditions of the Overlease and the Sublease. The performance by the Overlandlord and the Sublandlord of their obligations under the Overlease and the Sublease shall, for all purposes hereunder, be deemed to be the performance of such obligations of Landlord under this Sub-Sublease, and Landlord's obligations under this Sub-Sublease shall be limited to the extent to which such obligations are performed by the

Overlandlord and/or the Sublandlord under the Overlease and/or the Sublease. In the event Tenant notifies Landlord that Tenant believes that Overlandlord is not performing a duty or duties required to be performed by it under the Overlease, Landlord agrees that (i) Landlord promptly shall cause a default notice to Overlandlord to be issued, specifying the duty or duties claimed by Tenant to be the duty or duties that Overlandlord is not performing; and (ii) if requested by Tenant, Landlord shall allow Tenant to commence legal proceedings against Overlandlord, in Landlord's name (if required by law), at Tenant's sole expense, provided Tenant shall indemnify Landlord against all losses, costs and expenses incurred by Landlord which arise out of such legal proceedings. The remedies specified in clauses "(i)" and "(ii)" above are hereinafter jointly and severally referred to as "Tenant's Remedies." Overlandlord also agrees that in the event that at any time that Landlord fails to promptly take action required by such Tenant Remedies, Tenant may send default notices directly to Overlandlord and Overlandlord shall be bound by its obligations in the Overlease. Tenant agrees that it will not do (or suffer or permit to be done) anything in or about the Demised Premises or in connection therewith which violates any of the covenants made by Landlord as tenant of the Sublease or by Sublandlord as tenant of the Overlease. Notwithstanding any provisions of the Overlease or the Sublease, Tenant shall not be required to pay any rent, real estate taxes, percentage rent or any other monetary payment mentioned in either the Overlease or the Sublease; it being expressly agreed that Tenant's sole monetary duties shall be as expressly stated in this Lease only.

**6. Alterations.** Following completion of Tenant's Work and the installation of any exterior signage, no structural or exterior alterations will be made to the Demised Premises by Tenant without Landlord's prior written approval. All alterations, whether by Landlord, Tenant or any other person (except only sign panels and movable trade fixtures installed at Tenant's cost) shall become, when made, a part of Landlord's real estate, and on termination of the Lease Term shall be surrendered with the Demised Premises in the same condition as of the date hereof, reasonable wear and tear excepted. Tenant shall defend, indemnify and save Landlord harmless from and against all claims for injury, loss or damage to person or property caused by Tenant in conjunction with any alterations. For any work (including, without limitation, work performed pursuant to the plans and specifications referred to in paragraph 31, below) that involves penetration of the roof surface or alterations to the sprinkler system, Tenant shall employ a contractor approved by Overlandlord. The maintenance of any portion of the roof affected by Tenant's work will be Tenant's responsibility.

**7. Removal of Chattels.** Tenant shall, prior to the termination of this Lease, remove Tenant's chattels, fixtures and personal property. Tenant shall repair any damage done to the Demised Premises by such removal.

**8. Tenant's Business Operations.** Not later than the sixtieth (60<sup>th</sup>) day after the Rent Commencement Date, Tenant shall open the Demised Premises for business for at least one (1) day, as a typical "HOBOT" retail store; provided, however, that Tenant shall not be obligated to open for business between November 1 and February 1. Tenant agrees for its part: no auction, fire, bankruptcy, going out of business or similar sale will be conducted or advertised; no merchandise will be kept, displayed or sold or business solicited in the Shopping Center outside the Demised Premises, except to the extent City permission is required and obtained, Tenant may use the area identified as "Outdoor Seasonal Selling Area" on Exhibit A-1; no nuisance will be permitted; nothing shall be done which is unlawful, offensive or contrary to any law, ordinance, regulation or requirement of any public authority. Tenant shall procure all licenses and permits required for the use or occupancy of the Demised Premises and the business being conducted therein; the storefront, show windows and signs will be repaired, kept clean, in good condition and lighted. Tenant shall comply with all environmental statutes, regulations or ordinances now or hereinafter enacted by government authorities. Tenant shall not permit the release, emission, disposal, dumping or storage of hazardous wastes (as defined in any such laws) into the septic tanks, sewers, or other waste disposal facilities of the Shopping Center or anywhere in the Shopping Center, or permit same to be brought into the Demised Premises at any time, and the provisions of this sentence shall survive the expiration of the Lease Term. Tenant shall keep the Demised Premises free of rodents, vermin, insects and other pests, and provide regular exterminator services at its own expense.

**9. Compliance for Tenant's Account.** Anything herein contained to the contrary notwithstanding Tenant agrees that if Tenant shall be in default in performing any of the terms, covenants, conditions or provisions of this Lease on Tenant's part to be performed, except the covenant concerning the payment of rent, and if the Tenant shall not have cured such default within thirty (30) days after written notice, Landlord, if it so elects, may enter the Demised Premises for the purpose of performing the same for the account of Tenant and any reasonable amount paid or expenses or liabilities incurred by Landlord in the performance of same shall be deemed additional rent and shall be paid by Tenant to Landlord on the first day of the following calendar month.

**10. Utilities.** Tenant agrees to pay for all utilities used upon the Demised Premises including but not limited to gas and electricity, to supply at Tenant's own expense all electric bulbs used and to furnish and pay the entire cost of utilities, heating and air conditioning the Demised Premises. Landlord and Tenant agree that electric and gas utilities and domestic water currently service both the Demised Premises and the second floor (which is above the Demised Premises). Overlandlord agrees not to use or permit to be used any part of said second floor, and Landlord agrees not to use any part of said second floor. Tenant has no obligation to heat or cool said second floor and Tenant has no responsibility or liability for any repairs or damages to the second floor (unless Tenant, by its actions, causes such

damage). Tenant shall pay all public sewer charges and all rents or charges which may be assessed or imposed on the Demised Premises (or its proportionate share thereof if assessed or imposed on the premises of which the Demised Premises are a part) for the water, metered or otherwise, used or consumed in the Demised Premises during the term hereof as soon as and when the same may be assessed or imposed. If such rents or charges are not so paid, the same shall be added to the next month's rent thereafter to become due.

**11. Assignment and Subletting.** Tenant shall not, whether voluntarily or by operation of law or otherwise: (i) assign, mortgage, pledge, hypothecate, or otherwise transfer or encumber any of its interest in this Lease or the Demised Premises, in any manner, nor (ii) sublet, license or permit occupancy by any other person of any portion of the Demised Premises (all of the foregoing are collectively called a "Transfer"), without obtaining on each occasion the prior written consent of Landlord, which consent Landlord may deny, regardless of commercial reasonableness, except Tenant, upon written notice to Landlord, may assign this Lease or sublet the Demised Premises or any part thereof upon written notice to Landlord to any entity which may be the parent owner of Tenant, a wholly owned subsidiary of Tenant, an entity which is under common control with Tenant, the surviving entity after a merger or other acquisition of Tenant, or any such entity which acquires all or substantially all of the business operating assets of the Tenant (a "Permitted Transfer"). If Landlord expressly consents to any assignment or subletting, or in the case of a Permitted Transfer, Tenant shall at all times remain fully responsible and liable for the payment of the rent herein specified and for compliance with all of Tenant's other obligations under this Lease. In any assignment the assignee must assume this Lease in writing on Landlord's form. In any Transfer the Demised Premises shall be used only for any lawful retail use provided neither Tenant nor any successor Tenant shall be allowed to sell automotive motor fuel. If any person other than Tenant shall pay rent for the Demised Premises, Landlord may accept the rent as having been paid on behalf of Tenant and not be deemed to have consented to that person occupying the Demised Premises.

**12. Repairs.** (A) The Tenant agrees to maintain the Demised Premises in good order and condition and make and pay for all interior repairs to the Demised Premises except any interior repairs required to be made by the Overlandlord under the Overlease as hereinafter provided. Tenant agrees to repair or replace at its own cost and expense all doors, interior walls and broken glass in the Demised Premises, to replace HVAC parts in need of replacement, to maintain an HVAC service contract including the performance of routine maintenance from a reputable HVAC contractor and to make and pay the first \$5,000.00 (per year) for the cost of any repairs and replacements to the HVAC system necessary to maintain same in good operating condition throughout the term hereof. Landlord shall pay for the cost of repairs and replacements to the HVAC system in excess of the first \$5,000.00 per year.

The Overlease provides in part that:

"REPAIRS Art. 16

"The [Over]Landlord agrees to make and pay for (a) all repairs, structural or otherwise, to the exterior of the building on the demised premises or of which the demised premises are a part, including but not limiting said repairs to the streets, curbs, sidewalks and alleys, and (b) all repairs to the interior of said building which may be of a structural nature and which are not made necessary by any unusual use of the demised premises by the Tenant, and (c) all repairs, structural or otherwise, to the interior of the demised premises made necessary by acts of God and the elements and leakage or flowing of water and steam into the demised premises."

(B) The Landlord agrees that Tenant shall have the right to invoke Tenant's Remedies when so requested by the Tenant in writing to notify Overlandlord that it is required to perform the aforesaid provisions of said Overlease with respect to the Demised Premises and to sue Overlandlord if Tenant believes Overlandlord has not properly performed its duties under the Overlease; and Tenant agrees that Overlandlord bears the responsibility to perform same. Except as stated in this Article 12, the Landlord shall have no obligation whatsoever to make repairs of any nature to the Demised Premises. In the event Landlord chooses to replace any HVAC unit with a new HVAC unit having a warranty of five (5) years or longer, Landlord shall assign said warranty to Tenant, whereupon, the provisions of clause "(A)" above shall no longer apply to said unit and Tenant shall bear all repair and maintenance responsibilities for any such unit.

(C) Except as stated in the next sentence, under no circumstances whatsoever will Overlandlord have any responsibility for maintenance, repair or replacement of the Demised Premises beyond that contained in the Overlease. Notwithstanding the provisions of the preceding sentence, Overlandlord agrees that, if this Lease becomes a direct lease between Overlandlord and Tenant, and, if Tenant complies with its HVAC obligations as stated in subparagraph "(A)" of this paragraph 12, then Overlandlord shall pay for the cost of repairs and replacements to the HVAC system in excess of the first \$5,000.00 per year.

(D) Portions of the floor may be a terrazzo base over concrete ("terrazzo flooring"). If the existing terrazzo flooring becomes a safety or functional issue in the normal course of Tenant's business which does not allow Tenant to operate its business safely or functionally, Landlord shall, subject to the \$50,000 limitation stated in the next sentence, at Tenant's request, remove the terrazzo flooring and

replace with a concrete floor, finished and sealed. Notwithstanding the preceding sentence, Landlord's obligation to repair any portion of the terrazzo flooring shall not exceed, in aggregate, through the entire term and extension periods of this lease a cost to Landlord of \$50,000. Landlord will coordinate and complete its floor repair work with Tenant so as to minimize the area of the Demised Premises disrupted at any one time and the interference with the conduct of business, which may include doing portions of the repair work during hours when the store is not normally open for business. Aggregate costs for the purposes of this paragraph equals the total costs expended by Landlord for any repairs to the terrazzo floor after the Delivery Date and not inclusive of any costs associated with Landlord's Work outlined in Article 40. Prior to Landlord performing any repairs to the terrazzo floor requested by Tenant, Landlord will inform Tenant of the estimated cost to repair and will advise Tenant if the estimated cost will exceed an aggregate cost of \$50,000. In the event the aggregate cost will exceed \$50,000, Tenant agrees to contract for the work directly with a contractor of Tenant's choice and Landlord agrees to reimburse Tenant a portion of the cost so that Landlord's aggregate costs equals \$50,000.

**13. Fire or Other Casualty.** The Tenant agrees that if the Demised Premises or the building of which the Demised Premises are a part is damaged or destroyed by fire or through any other cause, to immediately notify the Landlord of such damage or destruction. If, on or after the date hereof,

(a) the Demised Premises are damaged to the extent of 25% or more of the replacement cost thereof (excluding land and foundation), or

(b) the Demised Premises are damaged during the last twelve (12) months of the initial term hereof, or during the last eighteen (18) months of any renewal term, then any of either Overlandlord, Tenant or Landlord, at its option, may cancel and terminate this Lease as of the date of such damage or destruction by giving to the other two parties written notice of such cancellation and termination within sixty (60) days following the date of such damage or destruction. Upon termination, this Lease and the term thereof shall cease and come to an end on the date of such damage or destruction, and any unearned rent or other charges paid in advance by Tenant shall be refunded to Tenant.

In the event this Lease is not terminated as provided above, Landlord agrees to promptly notify Overlandlord that it is required to comply with the provisions of Article 17 of the Overlease at Overlandlord's own cost and expense and, provided the Demised Premises is damaged there shall be an abatement of rent during the same period as the abatement of rent realized by Landlord pursuant to the provisions of Article 17 of the Overlease. It is specifically understood that the Landlord shall have no obligation whatsoever to restore the Demised Premises or the building of which the Demised Premises are a part and that the Landlord's obligations in this respect are restricted solely to taking the appropriate action referred to in the preceding paragraph of this Article 13. If Overlandlord fails to commence the restoration of the Building within 60 days following receipt of Landlord's notice to commence repairs, Tenant may terminate the Lease. Furthermore, Tenant agrees that in the event of damage or destruction by fire or other cause of Tenant's leasehold improvements, neither the Overlandlord, the Sublandlord nor Landlord shall have any obligation to repair or restore said leasehold improvements and Tenant agrees to maintain insurance coverage on such leasehold improvements and to repair or restore same in the event of damage by fire or other cause.

**14. Indemnity; Insurance.** (A) Tenant shall protect, defend, save harmless and indemnify Landlord, Sublandlord and Overlandlord from and against all losses, claims, liabilities, injuries, expenses (including reasonable legal fees), lawsuits and damages of whatever nature to the extent caused by or resulted from any act, omission or negligence of Tenant or its subtenants, concessionaires, employees or contractors except if caused by Landlord's negligence. Landlord shall not be liable for any injury, or any loss or damage to or interference with, any merchandise, equipment, fixtures, furniture, furnishings or other personal property or the business operations of Tenant or anyone in the Demised Premises occasioned by (i) the act or omission of persons occupying other premises, or (ii) any defect, latent or otherwise, in any building or the equipment, machinery, utilities, or apparatus, or (iii) any breakage or leakage of the roof, walls, floor, pipes or equipment, or (iv) any backing up, seepage or overflow of water or sewerage, or (v) flood, rain, snowfall or other elements or Acts of God. The preceding sentence shall not be construed so as to impair or diminish Overlandlord's responsibilities as stated in the Overlease, all of which shall remain unmodified by such sentence.

**(B) Tenant's Insurance.** Tenant shall maintain with financially responsible insurance companies licensed to do business in the state where the Demised Premises is located: (i) a commercial general liability insurance policy with respect to the Demised Premises and its appurtenances (including signs) naming Landlord and Kimco Realty Corporation as additional insureds with a limit of not less than \$1 million combined single limit; (ii) an umbrella liability insurance policy with a limit of not less than \$5 million, naming Landlord as an additional insured; (iii) an all-risk property insurance policy insuring all merchandise, leasehold improvements, furniture, fixtures and other personal property, all at a cost deemed appropriate by Tenant. Tenant agrees to use commercial reasonableness. Tenant shall deliver these insurance policies or certificates thereof, satisfactory to Landlord, issued by the insurance company to Landlord with premiums prepaid on the signing of this Lease and thereafter at least 30 days prior to each expiring policy. Tenant's failure to deliver copies of the policies or certificates shall constitute a default and shall entitle Landlord, at Landlord's option, to purchase the above required insurance at then prevailing market rates, and Tenant shall pay Landlord on demand the costs thereof plus a twenty



percent (20%) administrative fee. All policies of insurance required of Tenant shall have terms of not less than one year.

**15. Regulations.** Tenant will execute and comply with, at Tenant's own cost and expense, all laws, rules, orders, ordinances and regulations of any federal, state or municipal government or any department or division thereof at any time issued or in force applicable to the Demised Premises or to the Tenant's specific use (structural or otherwise) of the Demised Premises, but in no event shall Tenant be required to make any structural or permanent changes or improvements to the Demised Premises (unless solely due to Tenant's specific and particular use of the Demised Premises) or any changes that are applicable to general retail use. Tenant shall make such improvements as may be required if they arise solely because of Tenant's specific and particular use of the Demised Premises and Tenant shall comply with any rules or orders of the local Board of Fire Underwriters and of all insurance companies writing policies covering said Demised Premises or any part thereof, it being the intention of the parties hereto that the Tenant shall assume the entire responsibility and also fully relieve the Landlord, the Sublandlord and the Overlandlord from the responsibility of executing and complying with said laws, rules, orders, ordinances and regulations whether the work required be ordinary or extraordinary, structural or otherwise.

**16. Eminent Domain.** In the event all of the Demised Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking and the Landlord shall thereupon be released from any further liability hereunder. In the event 10% or more of the Demised Premises or 10% or more of the parking areas of the Shopping Center shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, Landlord and Tenant shall each have the option to cancel and terminate this Lease as of the date of such taking upon giving the other party notice in writing of such election within thirty (30) days after the receipt by the Landlord from the Sublandlord or the Overlandlord of written notice that said premises have been so appropriated or taken (and provided such notice is delivered by Sublandlord or Overlandlord, or thirty (30) days from Tenant learning of such proceeding) and the Landlord shall thereupon be released from any further liability under this Lease. No part of any award as a result of such appropriation or taking shall belong to the Tenant, and Tenant agrees not to look to the Landlord, Sublandlord or Overlandlord for any part of such award, except that Tenant may recover a separate award for its improvements, relocation expenses and loss of goodwill.

**17. (A) Defaults.** Any one of the following shall be a default by Tenant: (1) if Tenant fails to pay Rent or other money and such failure continues for five (5) days after written notice thereof, or (2) if Tenant fails to perform or observe any agreement or condition on its part to be performed or observed, other than the defaults mentioned in the preceding clause (1) or in clauses (3) through (7) below and it continues for thirty (30) days after written notice from Landlord, except if that matter cannot easily be cured within such thirty (30) day period Tenant shall have an additional period up to 90 days, provided Tenant is diligently proceeding to cure such breach, or (3) if Tenant's leasehold interest is levied on, attached or taken by any process of law, or (4) if Tenant makes an assignment of its property for the benefit of creditors, or (5) if any bankruptcy, insolvency or reorganization proceeding or arrangement with creditors (whether through court or by proposed composition with creditors) is commenced by or against Tenant and is not dismissed within ninety (90) days, or (6) if a receiver or trustee is appointed for any of Tenant's property which is not discharged within ninety (90) days, or (7) if this Lease is transferred to or devolves on, or the Demised Premises is occupied by, anyone other than Tenant except if specifically permitted by this Lease.

**(B) Remedies.** If a default occurs, then in any of such cases Landlord or its agent shall have the right to enter the Demised Premises and dispossess Tenant and all other occupants and their property by legal proceedings. Tenant hereby waives any claim it might have for trespass or conversion or other damages if Landlord exercises such remedies. Landlord may exercise the remedies just mentioned without terminating this Lease. As an independent, cumulative right to obtain possession without terminating this Lease, Landlord shall have the right to terminate this Lease by giving Tenant written notice specifying the day of termination (which shall be not less than five days from the date of the notice), on which date this Lease and all of Tenant's rights will cease; but in all cases Tenant shall remain liable as hereinafter provided. Notwithstanding any re-entry, dispossession or termination of the Lease by Landlord, Tenant will remain liable for damages to Landlord in an amount equal to the aggregate of all Rents and other charges required to be paid up to the time of such re-entry, dispossession or termination, and for Landlord's damages arising out of the failure of Tenant to observe and perform Tenant's covenants and, in addition, if Landlord terminates Tenant's right of possession only, for each month of the period which would otherwise have constituted the balance of the Lease Term, Tenant shall pay any deficiency between the monthly installment of Base Rent and all other Rent that would have been payable, less the net amount of the rents actually collected by Landlord from a new tenant, if any and provided further, if Landlord terminates this Lease, Landlord shall, in addition, be entitled to recover as damages, the aggregate sum which at the time of termination represents the excess, if any, of the present value of the aggregate Rent which would have been payable after the termination date of this Lease over the present value of the aggregate fair rental value of the Leased Premises for the balance of the Lease Term, such present worth to be computed in each case on the basis of a 5% per annum discount. Tenant will not be entitled to any surplus. Furthermore, Tenant will be liable to Landlord for all the necessary and reasonable expenses Landlord incurs for: legal fees related to obtaining possession and making a new lease with another tenant; brokerage commissions in obtaining another tenant;

expenses incurred in putting the Demised Premises in good order and preparing for re-rental (together herein referred to as "Reletting Costs"). In addition, Landlord may relet the Demised Premises, or any part thereof, for a term which may be less or more than the period which would have constituted the balance of the Lease Term and may grant reasonable concessions or free rent to a new tenant. Landlord's refusal or failure to relet the Demised Premises to a new tenant shall not release or affect Tenant's liability; and Landlord shall not be liable for failure or refusal to relet, or for failure to collect rent under such reletting. In the event of a breach or threatened breach of the Lease by Tenant, Landlord shall have the right of injunction and the right to invoke any remedy allowed at law or in equity. Mention of any particular remedy shall not preclude Landlord from any other remedy in law or in equity. Landlord and Tenant mutually agree that they hereby waive trial by jury in any action, proceeding or counterclaim brought by either against the other as to any matters arising out of or in any way connected with this Lease, or their relationship as Landlord and Tenant, or Tenant's use or occupancy.

(C) Commencing January 30, 2014 and throughout the entire First Additional Term, Tenant agrees that if it defaults under this Lease, and Landlord terminates this Lease as a result of such default, Overlandlord may commence legal proceedings against Tenant for all rents remaining under this Lease calculated as provided above, to the extent rightfully owing on account of such default. Landlord agrees that, to the extent Overlandlord recovers or collects any rents from Tenant pursuant to this subparagraph (C), Landlord waives its right to collect the same from Tenant.

**18. Notices.** Wherever in this Lease it shall be required or permitted that notice or demand be given or served by either party to this Lease, such notice or demand shall be given and served and shall not be deemed to have been duly given or served unless in writing and forwarded by certified or registered mail, return receipt requested, or by a nationally recognized overnight courier (such as Federal Express or UPS overnight service) addressed as follows:

TO THE LANDLORD:

KIMSWORTH ILLINOIS INC.  
C/O KIMCO REALTY CORPORATION  
3333 NEW HYDE PARK ROAD, SUITE 100  
P.O. BOX 5020  
NEW HYDE PARK, NY 11042-0020

TO THE OVERLANDLORD:

CHICAGO TITLE LAND TRUST COMPANY  
c/o Robin Realty and Management Co.  
as Agent for Marketplace of Oak Lawn Shopping Center  
1333 North Wells Street  
Chicago, IL 60610

TO THE TENANT:

OL ENTERPRISES, LLC  
2650 Belvidere Road  
Waukegan, IL 60085  
Attention: Mr. Leo Schmidt

And to:

Meltzer, Purtil & Stelle LLC  
300 South Wacker, Suite 3500  
Chicago, IL 60610  
Attn: Joy S. Goldman

Such addresses may be changed from time to time by either party by serving notices as above provided.

**19. Waiver.** No defaults shall be deemed waived unless in writing signed by the Landlord. The failure of the Landlord to insist upon a strict performance of any of the terms, covenants and conditions herein, shall not be deemed a waiver of any rights or remedies that the Landlord may have, and shall not be deemed a waiver of a subsequent breach or default in the terms, covenants and conditions herein contained. This instrument may not be changed, modified or discharged orally.

**20. Limitations on Liability.** "Tenant" includes the persons named expressly as Tenant and its permitted transferees, successors and assigns. Except as otherwise provided in the next sentence, the agreements and conditions contained in this Lease shall be binding on and inure to the benefit of the parties hereto and their permitted transferees, legal representatives, successors and assigns. "Landlord" means only the then owner of the lessor's interest in this Lease, and in the event of a transfer by Landlord of its interest in this Lease, the transferor shall be automatically released from all liability and obligations

as Landlord subsequent to the transfer. Notwithstanding anything to the contrary, Tenant agrees it will look solely to Landlord's leasehold interest in the Demised Premises as the sole asset for collection of any claim, judgment or damages or enforcement of any other judicial process requiring payment of money. Tenant agrees that no other assets of Landlord shall be subject to levy, execution or other procedures to satisfy Tenant's rights or remedies.

**21. Holding Over.** If Tenant or anyone claiming under Tenant remains in possession of the Demised Premises after the expiration of the Lease Term, that person shall be a tenant at sufferance; and during such holding over, Base Rent shall be the rate equal to 150% of the rate which was in effect immediately prior to the Lease Term expiration, which Landlord may collect without admission that Tenant's estate is more than a tenancy at sufferance and all the other provisions of this Lease shall apply insofar as the same are applicable to a tenancy at sufferance.

**22. General Provisions.** This Lease is and shall be considered to be the only agreement between the parties hereto; all negotiations and oral agreements acceptable to both parties are included herein. It is further agreed between the parties hereto that the signing of this Agreement by Tenant does not constitute a complete transaction until such time as this Lease shall have been accepted by Landlord, and executed by its proper officers and if not accomplished within twenty (20) days following Tenant's submission of a signed Lease, Tenant may withdraw its offer to lease the Demised Premises at any time thereafter. The captions of this Lease are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease. Tenant agrees that under all circumstances where the Overlandlord shall be required to perform any obligation under the Overlease the Landlord shall promptly take appropriate action to require the Overlandlord so to do. Landlord shall have the right (but shall not be obligated) to enter the Demised Premises upon reasonable notice (and in case of emergency without notice) to inspect or to show the Demised Premises to prospective purchasers, mortgagees or tenants (all during the last four (4) months of the term), or to make any repairs, alterations, or improvements, including the installation or removal of pipes, wires and other conduits serving other parts of the property upon prior notice to Tenant and shall do so with minimum interference with Tenant's conduct of business. Commencing four (4) months prior to expiration of the Lease Term, Landlord may maintain "For Rent" signs on the front or any other part of the exterior of the Demised Premises. Anything in this Lease to the contrary notwithstanding, the Tenant agrees that it will not use, suffer or permit to be used, the Demised Premises or any part thereof in violation of any restrictions affecting the Demised Premises and now in force, of which Landlord has provided Tenant copies. The Landlord and the Sublandlord shall not be liable for any failure of water supply or electrical current, nor for injury or damage to person or property caused by or resulting from steam, gas, electricity, water, rain or snow which may leak or flow from any part of the building on the Demised Premises or the building of which the Demised Premises are a part, or from pipes, appliances or plumbing work of the same or from the street or sub-surface or from any other place, nor for interference with light or other incorporeal hereditaments by anybody other than the Landlord or the Sublandlord, or caused by operations by or for any governmental or quasi-governmental authority in construction of any public or quasi-public work; neither shall the Landlord nor the Sublandlord be liable for any latent defect in said building. The provisions of the preceding sentence shall not be construed to impair or diminish Overlandlord's responsibilities under the Overlease. Landlord and Tenant hereby release the other and all other persons claiming under it, to the extent of its insurance coverage, from any and all liability for loss or damage caused by fire or any of the extended coverage casualties, or any other insured casualty, even if the fire or other casualty is brought about by the fault or negligence of the other or of any persons claiming under the other. Landlord and Tenant will cause their insurance company to endorse their respective Insurance policies with a waiver of subrogation. Tenant represents and warrants to Landlord that neither Tenant nor any affiliate or representative of Tenant (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("OFAC") pursuant to Executive Order number 13224, 66 Federal Register 49079 (September 25, 2001) (the "Order"); (ii) is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of the OFAC or any other applicable requirements contained in any enabling legislation or other executive orders in respect of the Order (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"); (iii) is engaged in activities prohibited in the Orders; or (iv) has been convicted, pleaded nolo contendere, indicted, arraigned or detained on charges involving money laundering or predicate crimes to money laundering. In the event any of the representations in this Article are determined to be false now or at any time during the Lease Term, Tenant shall be deemed to have committed an incurable default, entitling Landlord, in addition to all other remedies at law or in equity, to terminate this Lease on five (5) days written notice to Tenant.

**23. Unavoidable Delays.** Where either party hereto is required to do any act but is untimely in completing the act, the time attributable directly to delays caused by an Act of God, hurricane, tornado, rain, snow, cold or other weather, war, civil commotion, fire or other casualty, labor difficulties, or shortages of labor, materials or equipment, government regulations or other causes beyond such party's reasonable control shall not be counted in determining the time during which such act is to be completed. In any case where work is to be paid for out of insurance proceeds or condemnation awards, due allowance shall be made for delays in the collection of such proceeds and awards. The provisions of this Article shall not be applicable at all to excuse or permit delay of the time for Tenant to pay Rent or other money or to obtain and maintain insurance policies. If Landlord is unable to deliver the Demised Premises by the end of seven (7) months after the full and complete execution of this Lease, then either

party may terminate this Lease by giving thirty (30) days written notice to the other, at any time prior to tender but Landlord shall have the right to vitiate Tenant's termination if Landlord delivers the Demised Premises to Tenant within 30 days after Landlord receives Tenant's termination notice..

**24. Mechanic's Lien.** The Landlord, Sublandlord and Overlandlord shall not be liable for any labor or materials furnished to the Tenant at the behest of Tenant and no mechanic's or other lien for such labor and materials shall attach to or affect the Demised Premises or the interest of the Landlord, Sublandlord or the Overlandlord therein. Whenever and as often as any such lien shall have been filed against the Demised Premises, the Tenant shall forthwith remove or satisfy the same by bonding, deposit or payment within twenty (20) days after notice to the Tenant, and, thereafter, Landlord may pay the amount of such mechanic's lien or discharge the same by bond or deposit and the amount paid or deposited together with interest at the rate of ten (10%) percent per annum shall be deemed additional rent due hereunder and payable on the date when the next installment of rent shall become due. In the event this Sub-sublease becomes a direct lease between Overlandlord and Tenant, then Tenant agrees it shall not enter into any contract costing \$100,000.00 or more with a third party for performance of work at, or furnishing of services to, the Demised Premises unless Tenant first provides proof satisfactory to Overlandlord (in Overlandlord's reasonably judgment) that Tenant has the financial ability to pay for such work or services in full, thereby giving Overlandlord comfort that no mechanic or similar lien shall attach to Overlandlord's Shopping Center property due to Tenant's failure to pay.

**25. Common Facilities.** (A) Article 28 of the Overlease provides in part as follows:

"The [Over]Landlord agrees at [Over]Landlord's expense to adequately maintain throughout the term hereof, all of said Common Facilities in good and usable condition, free and clear of ice, snow and debris, and adequately lighted at all times when Tenant's store is open for business without any charge or cost for such use by the Tenant."

Landlord agrees to promptly notify Overlandlord when so requested by Tenant in writing that it is required to perform the aforesaid provisions of said Overlease and Tenant agrees that Overlandlord bears the sole responsibility to perform same.

(B) **Common Area Rent.** [Intentionally deleted.]

**26. Occupancy and Rental Taxes.** In the event legislation is enacted after the date hereof which requires tenants to pay, excise, sale, use, transaction of privilege taxes, or similar taxes, however named, upon the rents that tenants pay to their landlords, then Tenant hereby agrees to pay all such taxes, or similar taxes, however named, upon the rent payable under this Lease.

**27. Tenant's Personal Property Taxes.** Tenant shall pay, before delinquency, all property taxes and assessments on the furniture, fixtures, equipment and other property of Tenant at any time situated or installed in the Demised Premises and on any leasehold improvements made to the Demised Premises by Tenant.

**28. Easement.** Landlord hereby reserves, and Tenant agrees to take, the Demised Premises subject to an easement in favor of Landlord to install, maintain and replace pipes, wiring and conduits in and through the Demised Premises to the extent necessary to serve the Demised Premises. Landlord, Sublandlord and Overlandlord shall have reasonable access to the Demised Premises for this purpose and such work shall be accomplished so as not to unreasonably interfere with the conduct of Tenant's business and at no cost, expense or risk to Tenant.

**29. Broker.** Tenant represents that no broker, finder, or other person entitled to compensation (the "Broker") was involved in this Sub-Sublease, and that no conversations or prior negotiations were had with any broker, finder or other person entitled to compensation, other than the Broker identified in Article 1(P), if any, concerning the renting of the Demised Premises. Tenant shall defend, indemnify and hold Landlord harmless against any claims for brokerage commission or finder's fee arising out of any conversations or negotiations had by Tenant with anyone other than the Broker identified in Article 1(P).

**30. Signage.** All signs to be fabricated and/or installed by Tenant shall be at Tenant's sole expense. Subject to Overlandlord's consent, Landlord hereby consents to the largest illuminated signage permitted by law which shall be consistent with Tenant's corporate identification, which shall be installed within the existing sign facade. Overlandlord hereby consents to the foregoing sign, as depicted on Exhibit B attached hereto and incorporated herein. In addition, Tenant shall have the right to install a panel in the top panel reserved for use by tenants on the existing pylon sign or any replacement thereof.

**31. Plans and Specifications.**

(A) 1. Tenant shall submit to Landlord, complete copies of all submissions made by Tenant to obtain any necessary building permits (hereinafter collectively referred to as "Plans") for all the work to be done by Tenant to the Demised Premises.

2. Tenant shall act as its own general contractor in performing such work as is necessary to ready the Demised Premises, following completion of Landlord's Work, to open for

business ("Tenant's Work"), which will consist generally of installing kitchen and bath displays, installing racking for display and inventory, installing phone, data, security/camera and fire systems and/or alarms and related electrical work, painting and possibly interior shelving and partitions in the employee and administrative spaces.

(B) Upon the Delivery Date, Tenant shall immediately apply for and exercise its best efforts to obtain all permits necessary for its work. After the permits are issued Tenant shall promptly commence and complete Tenant's work in conformity with the Plans, building department requirements and all relevant laws and regulations. In the event that, despite its best efforts, Tenant does not secure all required permits on or before sixty (60) days after the date Tenant first applied for same, then either Landlord or Tenant may, by written notice, cancel and terminate this Lease without liability. However, if Landlord gives such termination notice, Tenant may, at its option, cancel Landlord's termination, in which event, the Rent Commencement Date shall be the earlier of one hundred twenty (120) days after Tenant opens for business or two hundred forty (240) days after the Delivery Date, and this Lease shall remain in full force and effect; and if Tenant gives such termination notice, Landlord may, at its option, cancel Tenant's termination for sixty (60) days, during which time Landlord shall have the right (but not the obligation) to attempt to secure said permits on Tenant's behalf. If Landlord succeeds in obtaining such permits during such sixty (60) day period, this Lease shall continue in full force and effect; if Landlord does not so succeed during said period, this Lease shall thereupon cease, terminate and be of no further force or effect whatsoever. Tenant shall comply with all legal requirements during its work and, when completed, Tenant's work must comply with all laws, ordinances, regulations or orders of public authority, and with the requirements of the appropriate Fire Insurance Rating Organization and Landlord's insurance company. Prior to opening for business, Tenant shall obtain and deliver to Landlord: (a) Tenant's affidavit that all work, labor and materials have been paid for, (b) final lien waivers, as well as paid invoices or statements, from all contractors and subcontractors who performed work at the Demised Premises and all materialmen and suppliers who provided materials and/or equipment used in connection with Tenant's work at the Demised Premises, and (c) a copy of the certificate of occupancy to the extent issued (or its local equivalent) for the Demised Premises. If a temporary Certificate of Occupancy is issued, Tenant shall deliver a copy of that document to Landlord and then, upon issuance of a permanent Certificate of Occupancy, immediately forward a copy of it to Landlord. For any Tenant work that involves penetration of the roof surface, Tenant shall employ Overlandlord's roofing contractor, thereby ensuring that the roofing bond and/or warranty will remain in full force and effect. The maintenance of Tenant's roof work will be the sole responsibility of Tenant and shall include the repair of adjoining areas that might have been affected due to water penetration through Tenant's roof work. In the event Tenant must obtain a zoning variance, waiver or other change in order to use the Demised Premises for the purposes described in Article 1(M), or for any work Tenant desires to perform at the Demised Premises, Tenant shall first obtain the written approval of Landlord, Sublandlord, and Overlandlord, prior to seeking such a change. Tenant shall not be permitted to enter into any agreements that affect the use, access, or condition of the Shopping Center or the Demised Premises without first obtaining the written approval of Landlord, Sublandlord, and Overlandlord, and any attempt to do so shall constitute a default under the Lease.

32. **"AS IS".** It is understood and agreed that Tenant has inspected and examined the Demised Premises, the parking lot and common areas, and is familiar with the physical condition thereof; the Landlord has not made and does not make any representations as to the physical condition of the Shopping Center and, except as otherwise specifically provided for in this Lease, the Tenant agrees to take them "as is", subject to completion of Landlord's Work and any future ongoing obligations of Landlord or Overlandlord.

33. [Intentionally deleted.]

#### 34. Options to Extend Lease.

(A) Provided Tenant is not then in default of the Lease and Tenant is in actual physical possession of all of the Demised Premises (and operating and open for business as contemplated by this Lease, in all of the Demised Premises), Tenant shall have the right to extend the term of this Lease set forth in Article 1 (the "Original Term") for one (1) additional period of five (5) years (the "First Additional Term"). If Tenant does so extend the Term, then, commencing January 30, 2014, and automatically, without necessity of any further act or deed: (i) each of Sublandlord and F.W. Woolworth Co. shall be fully, irrevocably and unconditionally released and discharged of and from all liability arising out of or relating to the Overlease or the Sublease; (ii) the Overlease shall be a direct lease between Overlandlord (as the landlord thereunder) and "Landlord's Special Purpose Assignee" (hereinafter defined; as the tenant thereunder); (iii) Landlord's Special Purpose Assignee shall be deemed the Landlord under this Sub-sublease; (iv) Landlord shall be fully, irrevocably and unconditionally released and discharged of and from all liability arising out of or relating to the Sublease or this Sub-sublease excluding any prior unresolved claims; and (v) the rent payable by Landlord's Special Purpose Assignee to Overlandlord shall be increased by \$90,000.00 per annum (payable in equal monthly installments of \$7,500.00). "Landlord's Special Purpose Assignee" means a corporation to be formed by Landlord, whose sole asset shall be the Overlease and the Sub-sublease. In order to exercise this option, Tenant must deliver to Landlord written notice on or before January 31, 2013 of its election to exercise its option, **TIME BEING OF THE ESSENCE** with respect to such notice. Such notice of election to extend the term of the Lease shall be irrevocable. Except as specifically set forth herein, the First Additional Term shall be upon all of the terms

and conditions of the Lease except that any articles which were intended to be one-time, initial provisions or concessions (such as free rent) shall be deemed to have been satisfied and shall not apply to the First Additional Term. In the event Tenant exercises its option to extend the Term of the Lease for the First Additional Term as provided above, the Base Rent during each Lease Year of the First Additional Term shall be as set forth in Article 1(H)(i).

(B) Landlord has no right to renew beyond the last day of the First Additional Term. Notwithstanding, provided Tenant is not in default of the Lease and has faithfully performed the terms or conditions of the Lease and Tenant is in actual possession of all of the Demised Premises (and operating and open for business as contemplated by this Lease, in all of the Demised Premises), Tenant shall have the additional right to extend the Term of this Lease for one (1) further additional period of five (5) years (the "Second Additional Term"), whereupon this Lease shall, for the entire Second Additional Term, be a direct lease between Overlandlord and Tenant, and Tenant shall pay rent to Overlandlord at the Notice Address provided in Article 18. In order to exercise this option, Tenant must deliver to Overlandlord written notice on or before January 31, 2018, of its election to exercise its option, TIME BEING OF THE ESSENCE with respect to such notice. Such notice of election to further extend the Term of the Lease shall be irrevocable. Except as specifically set forth herein, the Second Additional Term shall be upon all of the terms and conditions of the Lease, except that any articles which were intended to be one-time, initial provisions or concessions (such as free rent) shall be deemed to have been satisfied and shall not apply to the Second Additional Term. Also, there shall be no option to extend the Term of the Lease beyond the Second Additional Term. In the event tenant exercises its option to extend the Term of the Lease for the Second Additional Term as provided above, the Base Rent during each Lease Year of the Second Additional term shall be as set forth in Article 1(H)(i).

**35. Surrender of "Space X" to Overlandlord.** Upon the execution of this Lease, "Space X" (as shown on Exhibit A) shall, automatically and without necessity of further act or deed whatsoever, be deemed surrendered to and accepted by Overlandlord in "as-is" condition.

**36. Estoppel Certificates.** From time to time, within ten (10) days following written notice, each of the undersigned parties shall deliver to any of the other undersigned parties requesting same, a signed and acknowledged written statement certifying: the date of this Lease and that this Lease is in full force and effect and unmodified except as stated; the monthly Base Rent payable during the Lease Term; the date to which the Rent and other payments have been paid; whether any party is in default, or if there are any offsets, defenses, or counterclaims claimed by a party, and if a default, offset, defense, or counterclaim is claimed, specifying the specific nature and default; and stating any additional matters requested by the requesting party or its mortgagee.

**37. Utility Deregulation.** [Intentionally deleted.]

**38. Insulation.** [Intentionally deleted.]

**39. Odor.** [Intentionally deleted.]

**40. Landlord's Work.** At Landlord's sole cost and expense, Landlord shall, on or before the Delivery Date, perform or cause to be performed the following work ("Landlord's Work") in good and workmanlike manner:

1. Deliver existing HVAC units in good working order. There are 130.5 tons of existing HVAC.
2. Deliver roof in watertight condition.
3. Deliver sprinkler system in code compliance condition based upon Tenant's proposed use, including a new fire alarm panel in working condition. Tenant agrees not to exceed twelve (12) feet in height with any solid pile, palletized and rack storage. Landlord shall remove any accumulated dust from the sprinkler heads.
4. Tenant will install and Landlord will reimburse Tenant for costs to install all required "in rack" sprinkler protection for (i) all aerosol paint cans; (ii) any oil based paints and thinners; (iii) any flammable mastics or glues; and (iv) any other substance the fire department requires to be sprinkled. Tenant agrees to utilize Landlord's sprinkler contractor. At any time after opening, should Tenant replace, relocate or add to the racks for these materials then Tenant shall be solely responsible for all "in rack" sprinkler protection costs.
5. Landlord shall install all required fire extinguishers required by code. The Tenant will be responsible for any future testing, maintenance and/or replacement of these fire extinguishers.
6. Demised Premises to be delivered with no outstanding code compliance issues. Any code compliance requirements during the Lease Term will be Landlord responsibility unless due to Tenant neglect or specific Tenant use.

7. Except as otherwise directed by Tenant on or before April 13, 2009, Landlord will remove (and Tenant may keep) all existing furniture, display, fixtures and check out counters. The existing customer service counter at the front of the store will remain.

8. Existing tile and carpet to be removed in the areas designated by Tenant. All mastic and glue remaining on the slab shall be removed. The slab and/or terrazzo cleaned and repaired, if necessary, and sealed with a two part rolled clear epoxy finish. Landlord agrees to fill in and repair areas under the existing check out fixtures. All concrete and terrazzo flooring in the Demised Premises shall be sealed as provided above, and areas designated by Tenant shall receive two (2) coats of sealant. Landlord to install thresholds between any concrete area and any finished floor area. The floor throughout the store shall be sufficiently level for Tenant's safe use of wheeled carts and forklifts.

9. Restrooms to remain in existing locations, Landlord to bring existing restrooms and employee break room to meet ADA code if required.

10. The flooring in the receiving and stock room areas are to be repaired or replaced so that the floor is sufficiently level for Tenant's use of wheelcarts, forklifts and the weight levels.

11. Deliver storefront glass and 8' high entrance door as follows: (1) double 3' wide swinging entrance door and (1) 8' wide sliding exit door. No thresholds and cart guards on glass.

12. Landlord to enlarge two (2) existing receiving doors at loading dock to become 10' x 10' receiving doors and install bumpers, seals, levelers, swing lights and garage door openers to each dock opening. The existing receiving door bell will be in working condition. Landlord will adjust any fire sprinkler line as required for these receiving doors.

13. The existing opening from the receiving and stock room area to the sales floor will be expanded to create a 10' x 10' opening with bumper protection on the side walls.

14. Landlord will create a 10' x 10' opening with a roll up door and bumper protection in the west rear wall in the receiving and stock room area for Tenant's forklift to access the rear drive lane. There will be an asphalt ramp installed to provide for this transition from the interior floor to the existing exterior grade.

15. Landlord will provide a 30 amp, 3-phase, 480v electric service to be located to the right of Tenant's baler unit. Tenant to provide location of unit.

16. Relocate compactor chute and pad to a mutually agreed-to location.

17. Replace missing and/or noticeably stained ceiling tile.

18. All lights and ballasts shall be in good working order. Emergency lighting and exit light fixtures will be in good working order and code compliant.

19. All doors shall be able to swing clear of any obstructions and all panic bars shall be functioning.

20. The depressed dock area doors shall be in good condition and in good working order.

21. Landlord will install a 24" x 24" floor based cast iron slop sink with floor drain in the new Janitor's room in the NW corner of the Demised Premises adjacent to the employee break room. The walls around the slop sink will be protected with water resistant covering.

22. Landlord shall perform the above work for Tenant to obtain a certificate of occupancy. If any other work is required which is related to or specific to Tenant's business operations then Tenant will be responsible to complete.

23. Landlord shall warrant Landlord's Work against defects in materials and workmanship for one year following completion.

24. Landlord to install lock on riser room door.

25. Repair any damaged drywall.

26. Landlord to deliver compactor pad in the location shown on Exhibit A.

Under no circumstances shall Overlandlord have any responsibility for undertaking or the completing of Landlord work. Overlandlord does approve of the compactor pad being installed in the location depicted on Exhibit A or in any other location along the rear wall of the Demised Premises provided it has no

interference with any delivery access of adjacent tenants. Any claim that Tenant may have with respect to Landlord's Work shall be made solely against Landlord, and Tenant shall not be allowed to make a claim against Overlandlord nor shall Overlandlord have any responsibility whatsoever with respect to Landlord's Work. In the event Tenant is unable to obtain either a permanent or temporary certificate of occupancy (or local equivalent) (and, thus, unable to open for business) because, upon inspection by the building inspector (or similar municipal official) it is determined that either (i) the Demised Premises is not in compliance with code requirements in one or more respects; or (ii) the common areas of the Shopping Center are not in compliance with code requirements in one or more respects; then (a) any such occurrence shall not be deemed to have delayed the occurrence of the Delivery Date; (b) Landlord shall take any necessary corrective action as quickly as practicable to eliminate such non-compliance issues as they relate to the Demised Premises and Overlandlord shall take any necessary corrective action as quickly as practicable to eliminate such non-compliance issues as they relate to the Common Areas; (c) the Rent Commencement Date shall be delayed one (1) day for each of the first thirty (30) days that a temporary and/or permanent certificate of occupancy is not issued and Tenant is so delayed from opening for business; and (d) if the temporary and/or permanent certificate of occupancy is not issued and Tenant is still delayed from opening for business after the expiration of the thirty (30) day period referred to in clause "(c)", then the Rent Commencement Date shall be delayed two (2) days for each day after such thirty (30) day period until the temporary and/or permanent certificate of occupancy is issued. Further, if any deficiencies are noted which require any permanent or structural improvements or changes that are applicable generally to retail use, including any upgrades to the sprinkler or life safety systems, Landlord shall take all required action.

#### **41. Sales Threshold Rent Adjustment.**

(A) Except as stated in subparagraph "(B)" below, each of Overlandlord, Sublandlord, Landlord and Tenant agree that, notwithstanding anything stated in the Overlease or the Sublease, no party shall be required to report sales to any other party.

(B) The provisions of this subparagraph "(B)" shall cease, terminate and be of no further force or effect whatsoever after January 29, 2014. As used herein, "First Period" means the first twelve (12) month period commencing on the first (1<sup>st</sup>) day of the month immediately following the day Tenant first opens for business (if that day is not the first day of a month), or commencing on the day Tenant first opens for business (if that day is the first day of a month); and "Subsequent Period" means each successive twelve (12) month period thereafter. If, during the First Period, Tenant's Gross Sales (as defined below) are less than \$12,000,000.00 (the "Target Number"), Tenant shall send written notice to Landlord which shall refer to this Article 41(B) and which shall include reasonably detailed documentation evidencing all of Tenant's Gross Sales for such First Period; and, upon Landlord's receipt of such notice and documentation, the Base Rent for the next Subsequent Period shall be reduced by \$182,064.00 per annum (such reduction to be effectuated by reducing the future monthly installment payments of Base Rent for such Subsequent Period by \$15,172.00 per month). Such procedure shall continue for each Subsequent Period. Any reduction in Base Rent shall continue until such time (if ever) as Tenant's Gross Sales in any Subsequent Period equal or exceed the Target Number (in which event, such reduction shall be discontinued, and Tenant shall thereafter pay Base Rent for the next Subsequent Period at the rate stated in the Base Rent Schedule stated in Article 1(H)). In order to give effect to the provisions of this subparagraph "(B)," Tenant shall report its Gross Sales to Landlord for the First Period and for each Subsequent Period; and, in conjunction with Landlord's request for relief under this Section, deliver to Landlord the certification of an independent certified public accountant that Tenant's Gross Sales are below the Target Number, based on the financial statements and reports on which Tenant reports its income. If Tenant shall not be open and operating under the trade name "HOBO," fully staffed and stocked, during the First Period or during any Subsequent Period prior to January 29, 2014, then, for all purposes under this subparagraph "(B)," there shall not be any reduction to Base Rent whatsoever. Landlord and Tenant agree to execute a written certificate confirming the date upon which the First Period commenced. The provisions of this subparagraph "(B)" shall apply only to the Tenant specifically named herein (i.e., OL Enterprises, LLC) and only if and for as long as said Tenant opens and operates the Demised Premises as a typical "HOBO" store as same are operated on the date hereof. Without limiting the generality of the foregoing, the provisions of this subparagraph "(B)" shall not apply to any assignee or subtenant of Tenant.

(C) For purposes of this Lease, the term "Gross Sales" shall mean the entire amount of the sales price, whether for cash or otherwise (including the net purchase price of purchases of goods made in part by means of gift certificates, gift cards, advertising certificates, coupons or trade ins), of all sales of merchandise (excluding the sales of gift certificates or gift cards), including, "layaways" and other deposits (offset by sums refunded to purchasers), but shall not include sales to employees, internet orders placed at or filled from the Premises resulting therefrom, by phone, computer connection, the Internet or catalogue orders, even though the merchandise is to be delivered from another location; sales by any sublessee, concessionaire or licensee, or otherwise (as well as license fees, franchise fees and similar fees) in or from the Premises. Each sale upon installment or credit shall be treated as a sale for the full price in the month during which such sale was made, irrespective of the time when Tenant receives payment from Tenant's customer. Gross Sales shall not include any amounts collected and paid out for any sales or excise tax imposed by any governmental authority; the exchange of merchandise between the stores of Tenant where such exchanges are made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale which has theretofore been made in



or from the Premises; transactions which do not represent the sales of goods rather than convenient method for accounting for transactions; the amount of returns to shippers or manufacturers; payments for credit card company service charges; the amount of any cash or credit refund made upon any sale where the merchandise sold, or some part thereof, is thereafter returned by a purchaser and accepted by Tenant; charges for check cashing or return of NSF checks; vending machine income; or sales of Tenant's fixtures.

**42. Status of this Lease: Non-Disturbance.**

(A) Between the Lease Commencement Date and the Expiration Date, this Lease is and shall be a sub-sublease between Landlord and Tenant; and, provided Tenant shall not be in default of any of its obligations hereunder, in the event the term of the Sublease expires or terminates prior to the Expiration Date, then, Overlandlord shall not disturb Tenant's quiet possession of the Demised Premises and shall recognize this Lease as a direct lease between Overlandlord and Tenant; the Overlease shall, without necessity of further act or deed, be deemed cancelled, terminated and of no further force or effect whatsoever; and Sublandlord shall, without necessity of further act or deed, be released and discharged of all liability under the Overlease.

(B) If Tenant exercises its renewal option(s) pursuant to Article 34, then (i) commencing on January 30, 2014 and during the First Additional Term, this Lease is and shall be a sublease between Landlord's Special Purpose Assignee and Tenant, and provided Tenant shall not be in default of any of its obligations hereunder, in the event the term of the lease between Landlord and Overlandlord expires or terminates prior to the expiration of the term of this Lease, then, Overlandlord shall not disturb Tenant's quiet possession of the Demised Premises, and shall recognize this Lease as a direct lease between Overlandlord and Tenant; and (ii) during the Second Additional Term, this Lease shall be a direct lease between Overlandlord and Tenant.

(C) By its execution hereof, Overlandlord hereby expressly (i) consents to Tenant's occupancy and possession of the Demised Premises; (ii) acknowledges its obligations with regard to repair, maintenance and restoration of the Building, the Demised Premises and the common facilities as provided herein and under the Overlease; (iii) acknowledges and consents to Tenant having the same self-help rights provided to Landlord in the Overlease in the event this Sublease becomes a direct lease between Overlandlord and Tenant; and (iv) agrees to accept this Sublease as a direct lease with Tenant upon the Termination of the Sublease or the exercise by Tenants of its second option to renew this Lease.

**43. Amendments to Overlease.** The Overlease is amended as follows:

(a) Article 5A of the Overlease is confirmed to be of no force or effect whatsoever.

(b) Article 31 (C), (D), and (E) of the Overlease are hereby deleted and of no further force or effect whatsoever; and the following is hereby inserted as a substitute for Article 31. (C) in lieu thereof: "Landlord and Tenant each agrees not to (i) make or construct (or permit the construction of) any improvements, or any changes to the "Protected Area" identified on the attached Exhibit "A", (ii) change the amount and configuration of the parking within the Protected Area, (iii) change the ingress and egress points to the Shopping Center, or (iv) change the rear delivery drive.", or (v) change the amount of the parking, configuration of, changes to the location of the curbing, landscape islands and location of light standards and poles as illustrated in the area identified and labeled as the "Southwest Quadrant" on Exhibit A attached.

(c) The last sentence of Article 29 of the Overlease is amended to delete the phrase "two (2) years" and to substitute the following in lieu thereof: "eleven (11) months". Further, Overlandlord agrees that all notices under Article 29 of the Overlease may be given directly by Landlord to Overlandlord.

(d) commencing January 30, 2014 and throughout the entire First Additional Term, all rent thereafter payable to Overlandlord shall be conditioned upon the prior receipt by Landlord's Special Purpose Assignee of all rent payable to Landlord's Special Purpose Assignee by Tenant; and in the event Landlord's Special Purpose Assignee terminates this Sub-sublease with Tenant (due to a default by Tenant), then, automatically and without necessity of further act or deed, the lease between Overlandlord and Landlord's Special Purpose Assignee shall also be terminated, and Landlord's Special Purpose Assignee shall have no further liability thereunder.

(e) Article 5 of the Overlease is hereby amended to increase the annual minimum rent stated therein by \$62,280.70 per annum; and the Overlease is hereby also amended to delete all provisions requiring that any payments be made to Overlandlord for common area maintenance reimbursements or real estate tax reimbursements (including, without limitation, Article 38 of the Overlease).

(f) Article 17 of the Overlease is hereby deleted and the provisions contained in Appendix 1 are hereby substituted in lieu thereof. Such deletion and substitution shall not be construed to impair or diminish Overlandlord's ongoing repair obligations as stated in the Overlease.

(g) Article 20 of the Overlease is hereby deleted and the provisions contained in Appendix 2 are hereby substituted in lieu thereof. Such deletion and substitution shall not be construed to impair or diminish Overlandlord's ongoing repair obligations as stated in the Overlease.

The foregoing amendments to the Overlease (as set forth in this Article 43 of this Lease) shall remain in full force and effect, notwithstanding any termination or expiration of either this Lease or of the Sublease which may occur prior to the expiration or termination of the Overlease.

**44. Landlord's Consent to Amendments to Overlease.** Landlord hereby confirms that it consents to the amendments to the Overlease stated in Paragraph 43. Landlord also agrees not to (i) make or construct (or permit the construction of) any improvements, or any changes to the "Protected Area" identified on the attached Exhibit A, (ii) change the amount and configuration of the parking within the Protected Area, (iii) change the ingress and egress points to the Shopping Center, (iv) change the rear delivery drive, or (v) change the amount of the parking, configuration of, changes to the location of the curbing, landscape islands and location of light standards and poles in the area identified and crosshatched as the "Southwest Quadrant" on Exhibit A attached.

**45. Regarding Landlord's Consent.** Wherever Landlord's consent or approval is required under the Sub-sublease or the Overlease, Landlord shall not grant or withhold such consent or approval without first obtaining the consent or approval of Tenant as to the subject matter of such required consent and approval, and Landlord agrees to adhere to the decision of Tenant as to such matters. Wherever Landlord's consent or approval is required (as aforesaid) and Landlord has agreed not to unreasonably withhold or delay its consent or approval, Tenant also agrees not to unreasonably withhold or delay its consent or approval.

**46. Regarding "Landlord's Waiver Forms".** Overlandlord and Landlord each agree to execute a form of landlord's waiver requested by Tenant's lender, provided (i) the substance of any such waiver form shall be subject to the prior approval of Overlandlord and Landlord (not to be unreasonably withheld or delayed); and (ii) if such form permits Tenant's lender to enter or occupy the Demised Premises, then such form shall also require such lender to pay rent for its occupancy at the same rates stated in this Sub-sublease.

**47. Counterparts.** This Sub-sublease may be executed in multiple counterparts, each of which taken together shall constitute one and the same agreement binding upon the parties. Signatures transmitted by facsimile or via e-mail in a "PDF" format shall have the same force and effect as original signatures on this Sub-sublease.

**END OF LEASE**

## EXHIBIT A

This site plan is intended to be an approximate depiction of the Shopping Center. No representation or warranty is made with respect to the actual location, number or configuration of Buildings, Curb Cuts, Abutting Thoroughfares, Parking Areas, Traffic Patterns, or of the Tenants intended to be within the Shopping Center. The Landlord specifically reserves the right to change the content and configuration of the Shopping Center from time to time and at any time the Landlord desires in its sole and absolute discretion, or as is required to conform to Local Governing Agencies.

The leased premises shall be the area identified below.

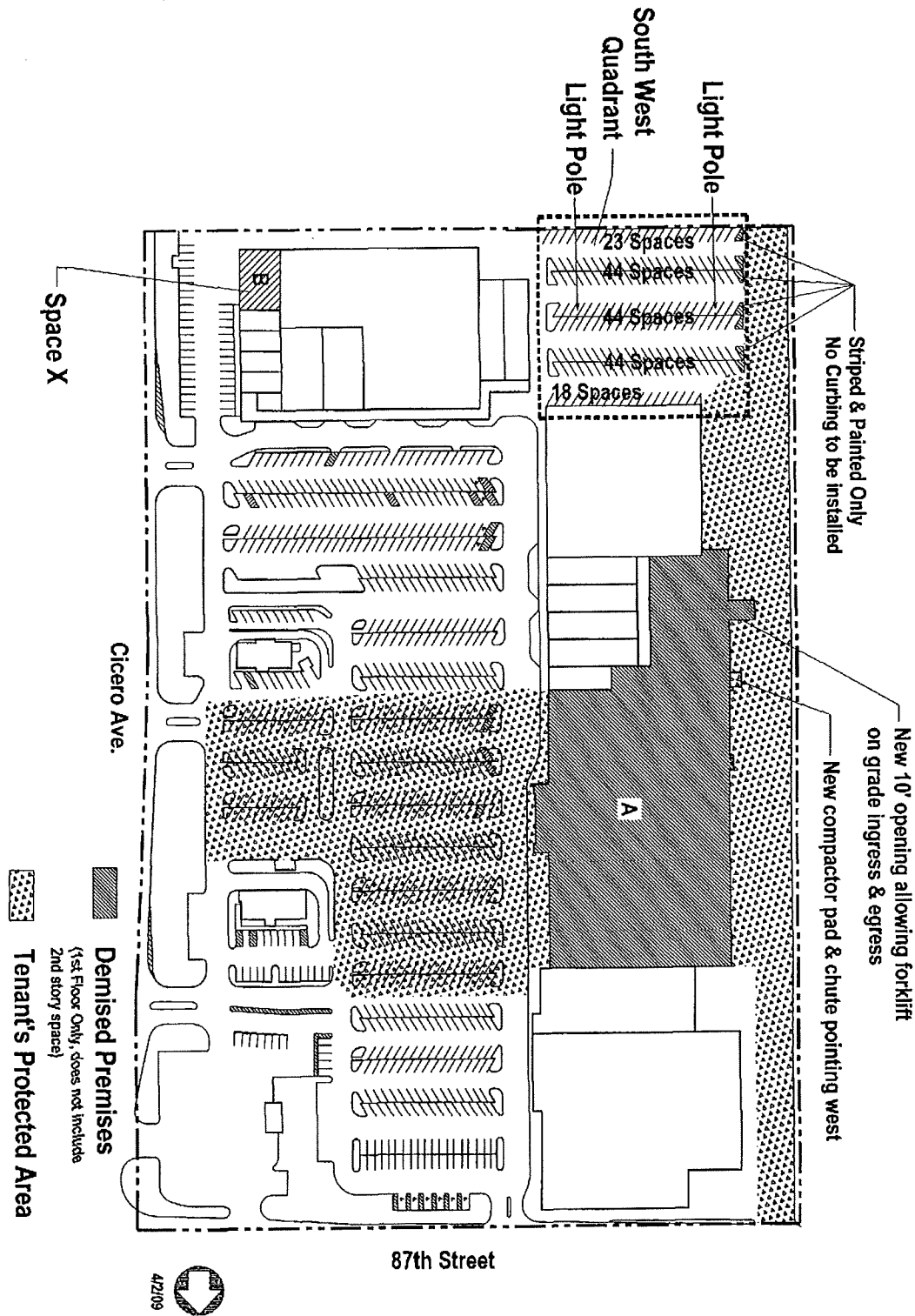
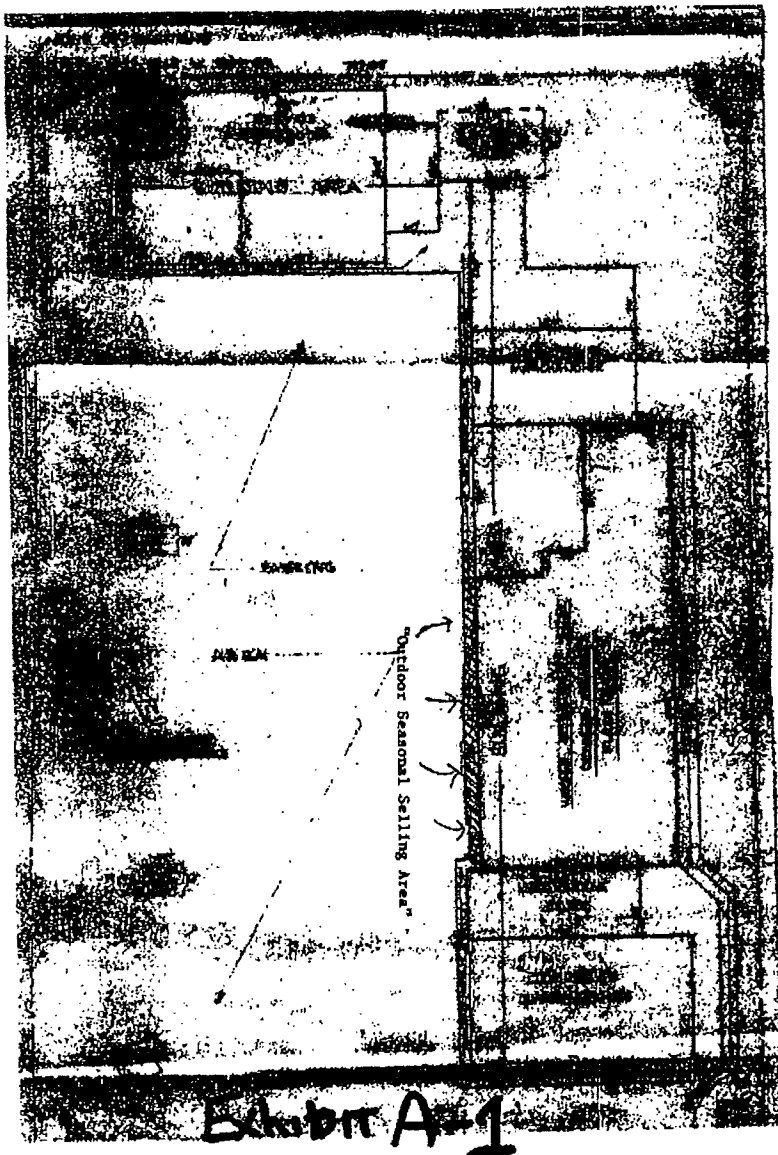
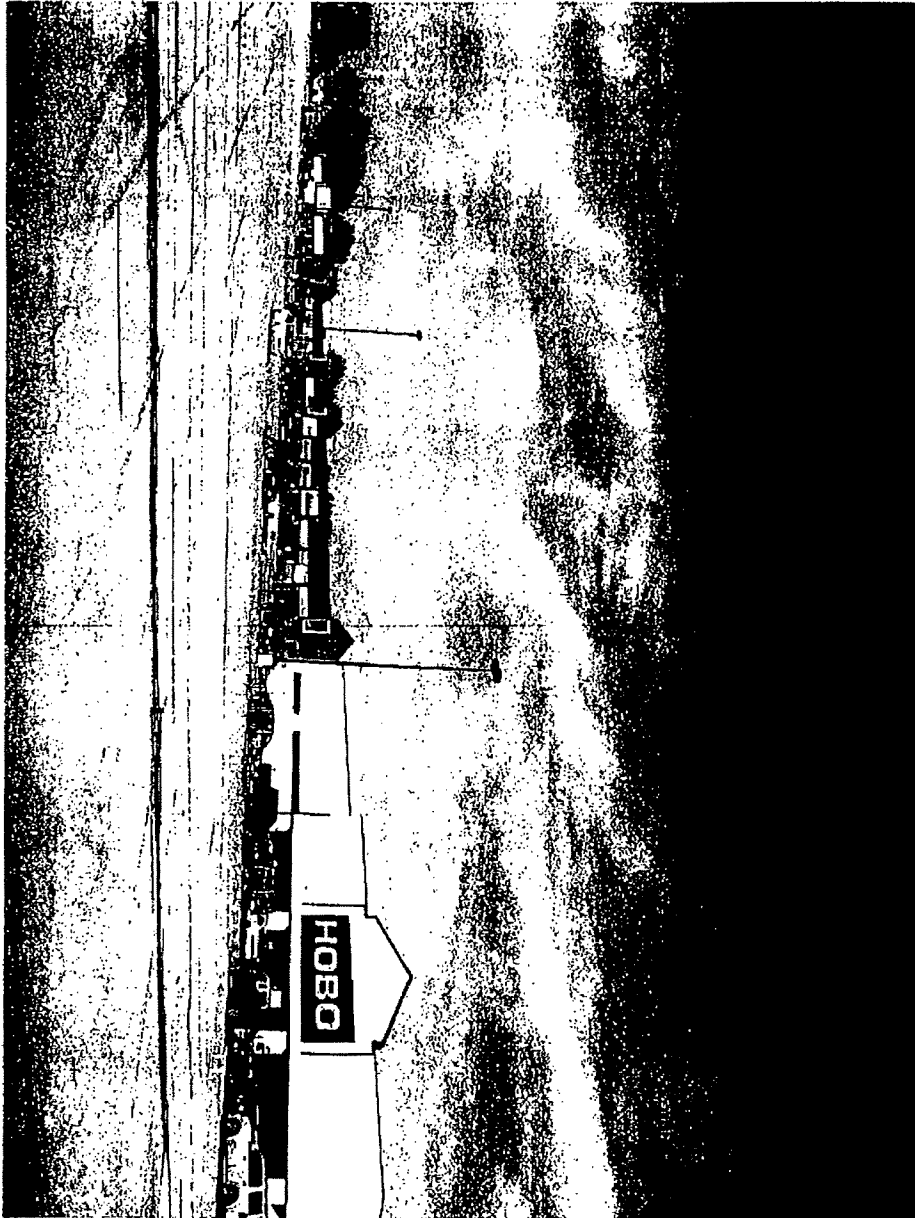


EXHIBIT A-1



**EXHIBIT B**

**Tenant's Storefront Sign**



**APPENDIX 1**

**17. Fire or Other Casualty.** The Tenant agrees that if the Demised Premises or the building of which the Demised Premises are a part is damaged or destroyed by fire or through any other cause, to immediately notify the Landlord of such damage or destruction. If, on or after the date hereof,

(a) the Demised Premises are damaged to the extent of 25% or more of the replacement cost thereof (excluding land and foundation), or

(b) the Demised Premises are damaged during the last twelve (12) months of the initial term hereof, or during the last eighteen (18) months of any renewal term, then either Landlord or Tenant, at its option, may cancel and terminate this Lease as of the date of such damage or destruction by giving to the other party written notice of such cancellation and termination within sixty (60) days following the date of such damage or destruction. Upon termination, this Lease and the term thereof shall cease and come to an end on the date of such damage or destruction, and any unearned rent or other charges paid in advance by Tenant shall be refunded to Tenant.

In the event this Lease is not terminated as provided above, Landlord shall promptly and diligently proceed to restore the Demised Premises, and there shall be an abatement of rent commencing on the date of damage or destruction until all repairs and restoration is completed by Landlord. If Landlord fails to commence the restoration within 60 days following receipt of Tenant's notice to commence repairs, Tenant may terminate the Lease. Furthermore, Tenant agrees that in the event of damage or destruction by fire or other cause of Tenant's leasehold improvements, Landlord shall have no obligation to repair or restore said leasehold improvements and Tenant agrees to maintain insurance coverage on such leasehold improvements and to repair or restore same in the event of damage by fire or other cause.

**APPENDIX 2**

**20. Eminent Domain.** In the event all of the Demised Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking and the Landlord shall thereupon be released from any further liability hereunder. In the event 10% or more of the Demised Premises or 10% or more of the parking areas of the Shopping Center shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, Landlord and Tenant shall each have the option to cancel and terminate this Lease as of the date of such taking upon giving the other party notice in writing of such election within thirty (30) days after the receipt by the Tenant from the Landlord of written notice that said premises have been so appropriated or taken and the Landlord shall thereupon be released from any further liability under this Lease. If this lease is not so terminated, Landlord shall undertake to restore the Demised Premises to as nearly a functional and architectural equivalent as existed prior to such taking. No part of any award as a result of such appropriation or taking shall belong to the Tenant, and Tenant agrees not to look to the Landlord for any part of such award, except that Tenant may recover a separate award for its improvements, relocation expenses and loss of goodwill.

**Confirmatory Assignment to**  
**"Landlord's Special Purpose Assignee"**

**Recitals:**

1. On or about May 7, 2009, **KIMSWORTH ILLINOIS, INC.** ("**Assignor**") entered into a sub-sublease between Assignor (identified therein as the "Subtenant" and/or "Landlord") and **OL ENTERPRISES, LLC** (identified therein as "Tenant"). Said sub-sublease is referred to herein as the "Sub-sublease."

2. The first "Whereas clause" of the Sub-sublease refers to a certain lease dated November 11, 1977, which was originally made by and between Chicago Title Land Trust Company, as successor trustee to LaSalle National Bank (the "**Overlandlord**") and F. W. Woolworth Co. ("**FWW**"). Said lease, together with all amendments thereto, and as all assigned by FWW to Woolco Inc. ("**Woolco**") is referred to herein as the "**Overlease**."

3. Tenant has renewed the Lease Term (as defined in the Sub-sublease) for the First Additional Term (as defined in the Sub-sublease).

4. Paragraph 34 of the Sub-sublease provides, in part, that if Tenant renews said Lease Term for the said First Additional Term, then, commencing January 30, 2014, and automatically, without necessity of any further act or deed, (i) the Overlease shall be a direct lease between Overlandlord (as the landlord thereunder) and "Landlord's Special Purpose Assignee" (as the tenant thereunder); and (ii) "Landlord's Special Purpose Assignee" shall be deemed to be the Landlord of the Sub-sublease.

5. Said Paragraph 34 of the Sub-sublease also provides: "Landlord's Special Purpose Assignee' means a corporation to be formed by Landlord, whose sole asset shall be the Overlease and the Sub-sublease."

6. Landlord has formed Kimsworth Oaklawn, Inc. ("**Assignee**") whose sole asset is the Overlease and the Sub-sublease.

**NOW, THEREFORE**, for good and valuable consideration, the exchange, receipt and sufficiency of which is hereby acknowledged, (i) the foregoing "Recital paragraphs" are incorporated herein as substantive provisions hereof; and (ii) Assignor does hereby sell, assign, transfer and convey unto Assignee, and Assignee does hereby accept the assignment of and assume all of Assignor's obligations under each of the Overlease and the Sub-sublease.

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**ORIGINAL DOCUMENT  
DO NOT REMOVE  
FROM OFFICE**

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LH03011 Ø Ø



IN WITNESS WHEREOF, Assignor and Assignee have executed this Confirmatory Assignment to "Landlord's Special Purpose Assignee" as of October 22, 2013.

WITNESSES:

Andrea Lento  
Beverly Skelati

Assignor:

KIMSWORTH ILLINOIS, INC.

By: [Signature]  
Name: MICHAEL E. PARRY  
Title: President

WITNESSES:

Andrea Lento  
Beverly Skelati

Assignee:

KIMSWORTH OAKLAWN, INC.

By: [Signature]  
Name: MICHAEL E. PARRY  
Title: President

ACKNOWLEDGEMENTS

STATE OF NEW YORK )  
: ss.:  
COUNTY OF NASSAU )

On the 22<sup>nd</sup> day of October, in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael E. Parry, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Josephine Engle  
Notary Public  
(Notarial Seal)  
JOSEPHINE ENGLE  
Notary Public, State of New York  
No. 01EN6098873  
Qualified in Queens County  
Certificate on file in Nassau County  
My Commission Expires 9/22/20 15

My Commission expires: 9/22/15

STATE OF NEW YORK )  
: ss.:  
COUNTY OF NASSAU )

On the 22<sup>nd</sup> day of October, in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael E. Parry, personally known to me to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Josephine Engle  
Notary Public  
(Notarial Seal)  
JOSEPHINE ENGLE  
Notary Public, State of New York  
No. 01EN6098873  
Qualified in Queens County  
Certificate on file in Nassau County  
My Commission Expires 9/22/20 15

My Commission expires: 9/22/15

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re:	) Chapter 11
	)
Morgan Administration, Inc., <i>et al.</i> d/b/a	) Case No. 18-30039
Home Owners Bargain Outlet, <sup>1</sup>	) (Jointly Administered)
	)
Debtors and Debtors in Possession	) Hon. Jacqueline P. Cox

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**AMENDED LEASE REJECTION NOTICE**

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<b>Address of leased premises:</b>	8716 S. Cicero Ave., Oak Lawn, IL 60453
<b>Landlord:</b>	Kimco Realty Corp. 3333 New Hyde Park Rd, Ste. 100 PO Box 5020 New Hyde Park, NY 11042-0020
<b>Date Debtors will vacate (or have vacated) property:</b>	December 19, 2018
<b>Rejection Date:</b>	December 20, 2018
<b>Description of personal property or furniture, fixtures &amp; equipment to be abandoned:</b>	Personal property, including furniture & fixtures, displays, signage, and unsold inventory. See attached <b>Exhibit A</b> for schedule of property to be abandoned.

*Please take notice* that on November 19, 2018, the United States Bankruptcy Court for the Northern District of Illinois (the “**Bankruptcy Court**”) entered an order (the “**Procedures Order**”) in the above-captioned chapter 11 cases establishing procedures (the “**Rejection Procedures**”) for the rejection of unexpired leases by the debtors and debtors-in-possession in these cases (the “**Debtors**” or “**HOBOS**”). (Dkt. 116.) A copy of the Procedures Order is attached here as **Exhibit B**.

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Morgan Administration, Inc. (4200); Belvidere Associates LLC (8559); FP Retail Associates LLC (0915); Hillcrest Enterprises, LLC (4581); Jular Media LLC (0805); KLS Acquisition Corp. (0925); Loomis Enterprises LLC (5451); North Avenue Associates LLC (3229); Oak Creek Distribution LLC (0634); OL Enterprises LLC (9401); and Deforab LLC (9348).

*Please take further notice* that the Debtors have determined to reject the lease identified above (the “**Lease**”), and seek to make such rejection effective as of the date set forth above (the “**Rejection Date**”).

Any objections to the Debtors’ proposed rejection of the Lease must be filed and served according to the terms of the Procedures Order. If no timely objections are filed, the Debtors will file a certificate of counsel certifying that no objections were filed, along with a proposed order (the “**Rejection Order**”) substantially in the form attached to this Notice as **Exhibit C**, for entry by the Court.

On the Rejection Date, any personal property or furniture, fixtures and equipment (the “**Remaining Property**”) remaining on the premises covered by the Lease will be deemed abandoned by the Debtors, and the Landlord may dispose of any Remaining Property, in its sole discretion, free and clear of all liens, claims, encumbrances and interests, and without any liability to the Debtors and any third party, and without waiver of any claim the Landlord may have against the Debtors.

Claims arising out of the rejection of the Lease must be filed no later than (i) January 28, 2019, the deadline for filing proofs of claims established by the Bankruptcy Court in these Cases; or (ii) 35 days after the date of entry of the Rejection Order, whichever is later. If no proof of claim is timely filed, such claimant will not be treated as a creditor with respect to such claims and will be forever barred from asserting a claim for rejection damages against the Debtors, and from participating in any distributions to creditors that may be made in connection with these Cases.

Finally, if the Debtors have deposited funds with a counterparty or Landlord as a security deposit or other arrangement, such counterparty may not setoff or otherwise use such deposit without prior authority of the Bankruptcy Court or agreement of the Debtors.

Date: December 12, 2018

*Morgan Administration, Inc., et al., d/b/a Home Owners Bargain Outlet*

By: /s/ Jonathan Friedland

One of their Attorneys

Jonathan Friedland (IL No. 6257902)

Elizabeth B. Vandesteeg (IL No. 6291426)

Jack O'Connor (IL No. 6302674)

**SUGAR FELSENTAL GRAIS & HELSINGER LLP**

30 N. LaSalle St., Ste. 3000

Chicago, Illinois 60602

Telephone: 312.704.9400

Facsimile: 312.372.7951

jfriedland@SFGH.com

evandesteeg@SFGH.com

joconnor@SFGH.com

*Counsel to the Debtors*

## **Exhibit A**

### ***Schedule of Property & FF&E to be Abandoned***

*In re Morgan Administration, Inc., et al.*

*Schedule of Personal Property & FF&E to Be Abandoned at 8716 S. Cicero Ave., Oak Lawn,  
IL 60453*

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The Debtors will conclude sales at the leased premises on December 16, 2018, and vacate the premises no later than December 19, 2018.

While the Debtors will work to remove everything from the premises by December 19, 2018, the Debtors anticipate certain property may remain on the premises, subject to abandonment, which may be comprised of the following:

1. Furniture and fixtures
2. Kitchen cabinet displays
3. Signage
4. Safe (with combination)
5. Unsold inventory
6. Third party vendor equipment not timely retrieved by vendors.

## **Exhibit B**

### ***Rejection Procedures Order***

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
Eastern Division

In Re:	)	BK No.: 18-30039
Morgan Administration, Inc., et al.	)	(Jointly Administered)
	)	Chapter: 11
	)	Honorable Jacqueline Cox
	)	
Debtor(s)	)	

**Order Granting Debtors' Motion to Reject Unexpired Lease Under 11 U.S.C. § 365 & Establishing Procedures for Rejecting the Debtors' Store Leases**

This matter came before the Court on the motion (the "Motion") of the Debtors in the above-captioned chapter 11 cases (the "Cases"), seeking to reject a certain unexpired lease under 11 U.S.C. § 365 and to establish procedures for rejecting the Debtors' Store Leases (as defined in the Motion), as more fully described in the Motion;

After considering the Motion and the relief sought by the Debtors, and the Court being fully advised in the premises; it appearing to the Court that (a) it has jurisdiction over the matters raised in the Motion under 28 U.S.C. § 1334; (b) this is a core proceeding under 28 U.S.C. § 157(b); (c) notice of the Motion and the hearing on the Motion was sufficient under the circumstances; (d) the relief requested in the Motion is in the best interests of the Debtors, their bankruptcy estates, creditors, and other parties in interest; and (e) after due deliberation of the record before this Court, good and sufficient cause exists to grant the relief set forth in this Order;

It is Hereby Ordered:

1. The Motion is granted as set forth in this Order. Capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to them in the Motion.

2. Under § 365 of the Bankruptcy Code, the Distribution Center Lease is deemed rejected by the Debtors, effective as of November 17, 2018 (the "Distribution Center Rejection Date") and the non-Debtor party to the Distribution Center Lease (the "Distribution Center Landlord") is entitled to take possession and full control of the Distribution Center, including (without limitation) changing locks and any security passcodes, and all Distribution Center Remaining Property (defined below), as of 11:59 p. m. CT on November 17, 2018.

3. The Distribution Center Landlord must file or amend any claim it wishes to assert for rejection damages no later than (i) the deadline for filing proofs of claims established in these Cases; or (ii) 35 days after the date of entry of this Order, whichever is later.

4. If the Debtors have deposited funds with the Distribution Center Landlord as a security deposit or other arrangement, the Distribution Center Landlord may not setoff or otherwise use such deposit without prior authority of this Court or agreement of the Debtors.

5. On the Distribution Center Rejection Date, any personal property or furniture, fixtures and equipment remaining on the premises of the will be deemed abandoned by the Debtors (the



"Distribution Center Remaining Property"), and the Distribution Center Landlord may dispose of any remaining property, in its sole discretion, free and clear of all liens, claims, encumbrances and interests, and without any liability to the Debtors and any third party, and without waiver of any claim the Distribution Center Landlord may have against the Debtors.

6. With respect to the Debtors' Store Leases, identified on attached Exhibit B to the Motion, the Court adopts the following procedures (the "Rejection Procedures") under which the Debtors may reject the Store Leases, including any amendments, supplements, or other agreements related to the Store Leases on a going-forward basis:

(a) Rejection Notice. Upon determining that a Store Lease should be rejected, the Debtors will file a notice (a "Rejection Notice") on the docket in these Cases describing the proposed rejection of a Store Lease. Each Rejection Notice must also be served by the Debtors via email (to the extent the Debtors have good email address information for a Rejection Notice Party) and overnight service on: (i) the counterparty to the Store Lease (and its counsel, if known) at the last known address available to the Debtors; (ii) any known third party having an interest in personal property located at the leased premises; (iii) any party known to assert a lien in any property subject to the relevant Store Lease; and (iv) proposed counsel to the official committee of unsecured creditors appointed in these Cases (the "Committee") (collectively, the "Rejection Notice Parties").

(b) Content of Rejection Notice. The Rejection Notice must set forth the following information, to the best of the Debtors' knowledge: (i) the street address of the related real property; (ii) the name and address of the landlord (the "Landlord"); (iii) the date on which the Debtors will vacate (or have vacated) the leased premises; (iv) the date the Debtors seek to have the rejection be effective (the "Rejection Date"); and (v) a brief description of any personal property or furniture, fixtures and equipment to be abandoned, including a list of such property. Each Rejection Notice must also attach a copy of a proposed order approving rejection of the Store Lease as of the Rejection Date (a "Rejection Order") in substantially the form attached to the Motion as Exhibit C.

(c) Objections. Objections (each an "Objection") to a proposed rejection of any Store Lease must be in writing, filed with the Court, and served so that it is actually received by the following parties (the "Objection Notice Parties") no later than 5 days after the date the relevant Rejection Notice was delivered via overnight service on the following parties: (i) proposed counsel for the Debtors: Sugar Felsenthal Grais & Helsinger LLP, Attn: Jonathan Friedland and Jack O'Connor, 30 N. LaSalle St., Chicago, IL, 60602 (ii) counsel to MB Financial Bank, N.A.: Riemer & Braunstein LLP, Attn: Steven E. Fox, Times Square Tower, Ste. 2506, Seven Times Square (iii) the Office of the United States Trustee, Attn: M. Gretchen Silver, 219 S. Dearborn St., Rm. 873, Chicago, IL 60604; and (vi) proposed counsel to the Committee: Freeborn & Peters LLP, Attn: Devon Eggert, Shelly DeRousse, and Elizabeth Janczak, 311 South Wacker Dr., Ste. 3000, Chicago, IL 60606. Each Objection must state with specificity the factual and legal grounds for objecting to the Debtors' rejection of the relevant Store Lease or abandonment of any property at the relevant premises.

(d) Effect of Failing to File an Objection to a Rejection Notice. If no party timely files and serves an Objection to a Rejection Notice, the applicable Store Lease will be deemed rejected on the Rejection Date, provided, however, that the Rejection Date for the leases may not be earlier than the later of (i) the date the Debtors file and serve a Rejection Notice for the leases or (ii) the date the Debtors relinquish control of the applicable leased premises by notifying the affected Landlord in writing of the Debtors' irrevocable surrender of the premises.

(e) Rejection Orders. If no party files an Objection, the Debtors may file a certificate of counsel certifying that no objections were filed, and file a proposed order on the docket in these Cases, substantially in the form attached to the Rejection Notice, for entry by the Court.

(f) Effect of Filing an Objection to a Rejection Notice. If a timely Objection to a Rejection Notice is filed and received according to the Rejection Procedures, the Debtors must immediately notice the Objection for a hearing on at least 7 days' notice to the objecting party and the Objection Notice Parties, at which time the Courts will hold a hearing to overrule the Objection, deny the Debtors' proposed rejection, or otherwise modify the terms of the Debtors' rejection.

(g) Agreed Orders Resolving Objections. Any Objection may be resolved without a hearing by agreed order between the Debtors, the objecting party, and the Committee.

(h) Remaining Property. On the relevant Rejection Date, any personal property or furniture, fixtures and equipment (the "Remaining Property") remaining on the premises covered by a Store Lease will be deemed abandoned by the Debtors, and a Landlord may dispose of any Remaining Property, in its sole discretion, free and clear of all liens, claims, encumbrances and interests, and without any liability to the Debtors and any third party, and without waiver of any claim the Landlord may have against the Debtors.

(i) Deadlines for Filing Claims. The Debtors must serve Rejection Orders entered by the Court on the appropriate counterparty to a Store Lease no later than 5 days after the relevant Rejection Order is entered. Claims arising out of the rejection of a Store Lease must be filed no later than (i) the deadline for filing proofs of claims established by this Court in these Cases; or (ii) 35 days after the date of entry of the applicable Rejection Order, whichever is later. If no proof of claim is timely filed, such claimant will not be treated as a creditor with respect to such claims, and will be forever barred from asserting a claim for rejection damages against the Debtors, and from participating in any distributions to creditors that may be made in connection with these Cases.

(j) Treatment of Security Deposits. If the Debtors have deposited funds with a counterparty or Landlord as a security deposit or other arrangement, such counterparty may not setoff or otherwise use such deposit without prior authority of this Court or agreement of the Debtors.

Enter:

J. Cox

Jacqueline B. Cox

Honorable Jacqueline Cox

United States Bankruptcy Judge

Dated:

11/19/18

Prepared by:

Jonathan Friedland (IL No. 6257902)

Mark Melickian (IL No. 6229843)

Elizabeth B. Vandesteeg (IL No. 6291426)

Jack O'Connor (IL No. 6302674)

Sugar Felsenthal Grais & Helsinger LLP

30 N. LaSalle St., Ste. 3000

Chicago, Illinois 60602

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jfriedland@SFGH.com

Form G5 (20170105\_bko)

mmelickian@SFGH.com

evandesteeg@SFGH.com

joconnor@SFGH.com

Proposed Counsel to the Debtors

# **Exhibit C**

## ***Proposed Rejection Order***

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re: ) Chapter 11  
)  
Morgan Administration, Inc., *et al.*, d/b/a ) Case No. 18-30039  
Home Owners Bargain Outlet,<sup>2</sup> ) (Jointly Administered)  
)  
Debtors and Debtors in Possession. ) Hon. Jacqueline P. Cox

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ORDER REJECTING UNEXPIRED LEASE UNDER 11 U.S.C. § 365

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This matter came before the Court on the Rejection Notice (Dkt. \_\_\_\_ ) submitted by the Debtors in the above-captioned chapter 11 cases (the "Cases") under this Court's Order Rejecting Unexpired Lease Under 11 U.S.C. § 365 & Establishing Procedures For Rejecting The Debtors' Store Leases (Dkt. 116) (the "Procedures Order"). The Rejection Notice is related to the lease (the "Store Lease") between the Debtors and Kimco Realty Corp. (the "Landlord") for premises located at 8716 S. Cicero Ave., Oak Lawn, IL 60453.

After considering the Rejection Notice and the relief sought by the Debtors, the Court being fully advised in the premises; it appearing to the Court that (a) it has jurisdiction over the matters raised in the Motion under 28 U.S.C. § 1334; (b) this is a core proceeding under 28 U.S.C. § 157(b); (c) notice of the Rejection Notice was sufficient under the circumstances; (d) rejection of the Store Lease is in the best interests of the Debtors, their bankruptcy estates, creditors, and other parties in interest; and (e) after due deliberation of the record before this Court, good and sufficient cause exists to grant the relief set forth in this Order;

It is Hereby Ordered:

1. The Motion is granted as set forth in this Order. Capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to them in the Procedures Order.
2. Under § 365 of the Bankruptcy Code, the Debtors' lease with Kimco Realty Corp. is deemed rejected by the Debtors, effective as of December 20, 2018 (the "Rejection Date").
3. The Landlord must file or amend any claim it wishes to assert for rejection damages no later than (i) the deadline for filing proofs of claims established in these Cases; or (ii) 35 days after the date of entry of this Order, whichever is later.

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<sup>2</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Morgan Administration, Inc. (4200); Belvidere Associates LLC (8559); FP Retail Associates LLC (0915); Hillcrest Enterprises, LLC (4581); Jular Media LLC (0805); KLS Acquisition Corp. (0925); Loomis Enterprises LLC (5451); North Avenue Associates LLC (3229); Oak Creek Distribution LLC (0634); OL Enterprises LLC (9401); and Deforab LLC (9348).

4. If the Debtors have deposited funds with the Landlord as a security deposit or other arrangement, the Landlord may not setoff or otherwise use such deposit without prior authority of this Court or agreement of the Debtors.
5. On the Store Rejection Date, any personal property or furniture, fixtures and equipment remaining on the premises covered by the Store Lease will be deemed abandoned by the Debtors, and the Landlord may dispose of any remaining property, in its sole discretion, free and clear of all liens, claims, encumbrances and interests, and without any liability to the Debtors and any third party, and without waiver of any claim the Landlord may have against the Debtors.

Dated: \_\_\_\_\_

Enter: \_\_\_\_\_  
Honorable Jacqueline Cox  
United States Bankruptcy Judge

Prepared By:

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# Northern District of Illinois Claims Register

## [18-30056 OL Enterprises LLC](#)

**Honorable Judge:** Jacqueline P. Cox

**Chapter:** 11

**Office:** Eastern Division

**Last Date to file claims:**

**Trustee:**

**Last Date to file (Govt):**

*Creditor:* (27449178)  
Kimsworth Oaklawn, Inc. as the  
assignee of Kimswor

**Claim No:** 33  
*Original Filed*  
*Date:* 01/15/2019  
*Original Entered*  
*Date:* 01/15/2019

*Status:*  
*Filed by:* CR  
*Entered by:* Devin B Noble  
*Modified:*

Amount claimed: \$84180.13

*History:*

[Details](#) [33-1](#) 01/15/2019 Claim #33 filed by Kimsworth Oaklawn, Inc. as the assignee of Kimswor, Amount claimed: \$84180.13 (Noble, Devin)

*Description:*

*Remarks:*

## Claims Register Summary

**Case Name:** OL Enterprises LLC

**Case Number:** 18-30056

**Chapter:** 11

**Date Filed:** 10/25/2018

**Total Number Of Claims:** 1

<b>Total Amount Claimed*</b>	\$84180.13
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

**The values are reflective of the data entered. Always refer to claim documents for actual amounts.**

	Claimed	Allowed
Secured		
Priority		
Administrative		