

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK (MANHATTAN)		PROOF OF CLAIM		 YOUR CLAIM IS SCHEDULED AS: Schedule/Claim ID s548	
In re: <div style="text-align: center; padding: 5px;">Jennifer Convertibles, Inc.</div>		Case Number: <div style="text-align: center; padding: 5px;">10-13779</div>		Amount/Classification \$70,504.05 Unsecured \$82,843.78	
<small>NOTE: See Reverse for List of Debtors/Case Numbers/ Important details. This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</small>				The amounts reflected above constitute your claim as scheduled by the Debtor or pursuant to a filed claim. If you agree with the amounts set forth herein, and have no other claim against the Debtor, you do not need to file this proof of claim EXCEPT as stated below. If the amounts shown above are listed as Contingent, Unliquidated or Disputed, a proof of claim must be filed. If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again. THIS SPACE IS FOR COURT USE ONLY	
Name of Creditor and Address: the person or other entity to whom the debtor owes money or property <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> 25239790000289 SSSG REALTY TRUST 1443 BEACON STREET SUITE 102 BROOKLINE, MA 02448 </div>					
Creditor Telephone Number 617 566-1443					
Name and address where payment should be sent (if different from above): <div style="text-align: center; padding: 5px;">Same</div>				<div style="text-align: center; font-size: 1.2em; font-weight: bold;">OCT 08 2010</div> <div style="text-align: center; font-size: 1.2em; font-weight: bold;">BMC GROUP</div>	
Payment Telephone Number ()					
1. AMOUNT OF CLAIM AS OF DATE CASE FILED \$ 74,635.10 <small>If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. If all or part of your claim qualifies as an administrative expense under 11 U.S.C. § 503(b)(9), complete item 6.</small> <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.					
2. BASIS FOR CLAIM: Rent and other payments due under written lease		<small>(See instructions #2 and #3a on reverse side.)</small>		3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR: 3a. Debtor may have scheduled account as:	
4. SECURED CLAIM <small>(See instruction #4 on reverse side.)</small> Check the appropriate box if your claim is secured by a lien on property or a right of set off and provide the requested information. Nature of property or right of setoff: _____ Describe: _____ <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Property: \$ _____ Annual Interest Rate: _____ % If any: \$ _____ Basis for Perfection: _____ Secured Claim Amount: \$ _____ Unsecured Claim Amount: \$ _____ Amount of arrearage and other charges as of filing date included in secured claim: _____ DO NOT include the priority portion of your claim here.					
5. PRIORITY CLAIM <input type="checkbox"/> Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. You MUST specify the priority of the claim: <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a) (_____). <small>* Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small> Unsecured Priority Claim Amount: \$ _____ Include ONLY the priority portion of your unsecured claim here.					
6. AMOUNT OF CLAIM THAT QUALIFIES AS AN ADMINISTRATIVE EXPENSE UNDER 11 U.S.C. § 503(b)(9): \$ _____ <small>See instruction #6 on reverse side</small>					
7. CREDITS: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 0					
8. SUPPORTING DOCUMENTS: <u>Attach redacted copies of supporting documents.</u> * Such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of evidence of perfection of a security interest. (See instruction 8 and definition of "redacted" on reverse side.) If the documents are not available, please explain. DATE-STAMPED COPY: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim. DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.					
The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is actually received on or before 5:00 pm, prevailing Eastern Time on October 25, 2010 for Non-Governmental Claimants OR on or before 5:00 pm, prevailing Eastern Time on January 18, 2011 for Governmental Units BY MAIL TO: BMC Group, Inc Attn: Jennifer Convertibles Claims Processing PO Box 3020 Chanhassen, MN 55317-3020				THIS SPACE FOR COURT USE ONLY <div style="text-align: center;"> Jennifer Convertibles 00199 </div>	
DATE: 9/28/10		SIGNATURE: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. <div style="text-align: center; font-size: 1.2em; font-weight: bold;">ROBERTA G. SYDNEY, TRUSTEE</div>			

Penalty for presenting fraudulent claim is a fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 AND 3571

* Lease, invoices and A/R schedule are attached.

10:28 AM

09/24/10

Home Town Center
A/R Aging QuickZoom

As of September 24, 2010

Type	Date	Num	P. O. #	Name	Terms	Due Date	Aging	Open Balance
Jennifer								
Invoice	3/1/2010	1108		Jennifer		3/1/2010	207	15,391.27
Invoice	4/1/2010	1115		Jennifer		4/1/2010	176	13,070.02
Invoice	5/1/2010	1132		Jennifer		5/1/2010	146	15,391.27
Invoice	6/1/2010	1138		Jennifer		6/1/2010	115	15,391.27
Invoice	7/1/2010	1148		Jennifer		7/1/2010	85	15,391.27
Invoice	9/1/2010	1167		Jennifer		9/1/2010	23	8,208.68
Total Jennifer								82,843.78
TOTAL								<u>82,843.78</u>

Statement

Home Town Center
SSSG Realty Trust
C/o The Sydney Companies, Inc.
1443 Beacon Street, Suite 102
Brookline, MA 02446-4707

Date
9/24/2010

To:
Jennifer Leather 417 Crossways Park Drive Woodbury, NY 11797 Attention: Rent Inquiries

				Amount Due	Amount Enc.
				\$82,843.78	
Date	Transaction			Amount	Balance
03/01/2010	INV #1108, Due 03/01/2010, Orig. Amount \$15,391.27 --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			15,391.27	15,391.27
04/01/2010	INV #1115, Due 04/01/2010, Orig. Amount \$15,391.27 --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			13,070.02	28,461.29
05/01/2010	INV #1132, Due 05/01/2010, Orig. Amount \$15,391.27 --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			15,391.27	43,852.56
06/01/2010	INV #1138, Due 06/01/2010, Orig. Amount \$15,391.27 --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			15,391.27	59,243.83
07/01/2010	INV #1148, Due 07/01/2010, Orig. Amount \$15,391.27 --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			15,391.27	74,635.10
09/01/2010	INV #1167, Due 09/01/2010, Orig. Amount \$15,391.27 --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			8,208.68	82,843.78
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
0.00	8,208.68	0.00	15,391.27	59,243.83	\$82,843.78

10:39 AM

09/24/10

Home Town Center
Customer QuickReport
January 1 through September 24, 2010

Type	Date	Num	Memo	Account	Clr	Split	Open Bal...	Debit	Credit
Jennifer									
Invoice	1/1/2010	1093		1201 - Account...		-SPLIT-		15,391.27	
Invoice	2/1/2010	1100		1201 - Account...		-SPLIT-		15,391.27	
Invoice	3/1/2010	1108		1201 - Account...		-SPLIT-	15,391.27	15,391.27	
Payment	3/8/2010	072108	nov, dec, jan rent	1111 - Banknot...	X	1201 - Accou...		46,173.81	
Payment	3/16/2010	072355	feb rent 10	1111 - Banknot...	X	1201 - Accou...		15,391.27	
Invoice	4/1/2010	1115		1201 - Account...		-SPLIT-	13,070.02	15,391.27	
Invoice	4/9/2010	1124		1201 - Account...		4610 - Jennife...		1,263.27	
Credit Memo	4/9/2010	1125		1201 - Account...		4610 - Jennife...			3,584.52
Check	4/9/2010	2204	VOID:	1112 - Banknot...	X	1201 - Accou...		0.00	
Invoice	5/1/2010	1132		1201 - Account...		-SPLIT-	15,391.27	15,391.27	
Invoice	6/1/2010	1138		1201 - Account...		-SPLIT-	15,391.27	15,391.27	
Invoice	7/1/2010	1148		1201 - Account...		-SPLIT-	15,391.27	15,391.27	
Invoice	8/1/2010	1157		1201 - Account...		-SPLIT-		15,391.27	
Payment	8/6/2010	075052	march rent 10	1111 - Banknot...	X	1201 - Accou...		15,391.27	
Invoice	9/1/2010	1167		1201 - Account...		-SPLIT-	8,208.68	15,391.27	
Payment	9/3/2010	075591		1111 - Banknot...		1201 - Accou...		7,182.59	

10:28 AM

09/24/10

Home Town Center A/R Aging QuickZoom

As of September 24, 2010

Type	Date	Num	P. O. #	Name	Terms	Due Date	Aging	Open Balance
Jennifer								
Invoice	3/1/2010	1108		Jennifer		3/1/2010	207	15,391.27
Invoice	4/1/2010	1115		Jennifer		4/1/2010	176	13,070.02
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Total Jennifer								82,843.78
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C/o The Sydney Companies, Inc.
1443 Beacon Street, Suite 102
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Date
9/24/2010

To:
Jennifer Leather 417 Crossways Park Drive Woodbury, NY 11797 Attention: Rent Inquiries

				Amount Due	Amount Enc.	
				\$82,843.78		
Date	Transaction			Amount	Balance	
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04/01/2010	INV #1115, Due 04/01/2010, Orig. Amount \$15,391.27. --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			13,070.02	28,461.29	
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09/01/2010	INV #1167, Due 09/01/2010, Orig. Amount \$15,391.27. --- Jennifer Base \$12,473.50 --- Jennifer CAM \$1,948.99 --- Jennifer Tax \$968.78			8,208.68	82,843.78	
CURRENT		1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
0.00		8,208.68	0.00	15,391.27	59,243.83	\$82,843.78

COPY

HOME TOWN CENTER, NATICK, RETAIL LEASE

BY AND BETWEEN

SSSG REALTY TRUST

("Landlord")

AND

JENNIFER CONVERTIBLES, INC. ("Tenant")

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- Exhibit A: The Premises
Exhibit B: The Property
Exhibit C: Commencement DateMemorandum
Exhibit D: Tenant's Work
Exhibit E: Rules and Regulations
Exhibit F-1: Tenant's Signs

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Exhibit F-2: Sign Criteria

SUMMARY OF BASIC TERMS

1. LANDLORD: Roberta Sydney, Trustee of SSSG Realty Trust
c/o Sydney Associates, Inc.
1443 Beacon Street, Suite 102
Brookline, MA 02446

Attention: Roberta Sydney

Copies to: Michael J. Radin, Esq.
Tarlow, Breed, Hart & Rodgers
101 Huntington Avenue
Boston, Massachusetts 02199

2. TENANT:

Jennifer Convertibles, Inc.
419 Crossways Park Drive
Woodbury, NY 11797
Attention: Mr. Edward B. Seidner

Copies to: Law Offices of Wincig & Wincig
574 Fifth Avenue, 2nd Floor
New York, NY 10036
Attn: Bernard Wincig, Esq.

3. PREMISES: Approximately 5,757 Square Feet
at Home Town Center -
579-583 Worcester Road
Natick, Massachusetts 01760

4. TERM OF LEASE: YEARS: Ten (10) years

OPTIONS TO RENEW: One 5-year option at fair market value.

5. BASE RENT: See Article 1.3

6. PERCENTAGE RENT: See Article 1.3.

6. ADDITIONAL RENT: SEE ARTICLE 7

7. SECURITY DEPOSIT: None

8. TENANT'S PERCENTAGES:

Pro Rata CAM Percentage: 12.45% of the Home Town Shopping Center

Pro Rata Tax Percentage: 12.45% of the Home Town Shopping Center

The Tenant's percentages may be equitably adjusted, as may or items of expense (including Property Taxes), based on the nature of operations at the Property and the Adjacent Shopping Center, and the manner in which the underlying expenses are incurred or charged by the provider thereof.

9. GUARANTOR: N/A

LEASE

THIS LEASE is made this 3rd day of November 2004, by and between ROBERTA SYDNEY, TRUSTEE OF THE SSSG REALTY TRUST u/d/t dated October 18, 1989, recorded in the Middlesex South Registry of Deeds in Book 20146, Page 355, ("Landlord"), c/o The Sydney Companies, Inc., 1443 Beacon Street, Suite 102, Brookline, Massachusetts 02446, and Jennifer Convertibles, Inc., a Delaware corporation ("Tenant"), with an address of 419 Crossways Park Drive, Woodbury, NY 11797.

RECITALS:

Landlord, for and in consideration of the rents and all other charges and payments hereunder and of the covenants, agreements, terms, provisions and conditions to be kept and performed hereunder by Tenant, demises and leases to Tenant, and Tenant hereby hires and takes from Landlord, the premises described below ("Premises"), subject to all matters hereinafter set forth and upon and subject to the covenants, agreements, terms, provisions and conditions of this Lease for the term hereinafter stated.

NOW THEREFORE Landlord and Tenant agree to the following, unless otherwise specifically modified by provisions of this Lease:

1. Premises and Term.

1.1 Premises. The Premises demised by this Lease is 5,757 square feet located in the Home Town Center (the "Building"). (Landlord reserving the right to modify the name of the Building and the Adjacent Shopping Center) at 579-583 Worcester Road (Route 9), Natick; Middlesex County, Massachusetts. The proposed location and dimensions of the Premises are shown on Exhibit A, attached hereto and incorporated herein by reference. No easement for light or air is incorporated in the Premises. The Building is located on property described in Exhibit B attached hereto (the "Property"). The Building is adjacent to Home Town Center #2 (the "Adjacent Shopping Center"). The Building and the Adjacent Shopping Center are sometimes referred to as the "Home Town Shopping Center."

1.1.1 Agreed Areas.

Total rentable area of the Home Town Shopping Center:
46,248
Area of Premises: 5,757 ± sq. ft.;

1.2 Initial Lease Term Ten (10) years, commencing on the Rent Commencement Date if the Rent Commencement Date occurs on the first day of a calendar month, otherwise on the first day of the first calendar month following the Rent Commencement Date and ending at 11:59 p.m. on the date that is ten (10) Lease Years thereafter, as may be further specified in the Commencement Date Memorandum.

For the purpose of this Lease, the term "Lease Year" shall mean the twelve (12) calendar months commencing with the first day of the first full calendar month of the term of the Lease, and succeeding anniversaries thereof.

1.2.1 Lease Commencement Date. The "Commencement Date" shall be the date that is one day after the delivery (by facsimile) of a fully executed signature page of this Lease by Landlord and/or Landlord's counsel to Tenant's counsel. Notwithstanding the delivery of Tenant and/or Landlord's signature by facsimile, the Parties hereto agree to execute and exchange originals of this Lease. Upon the actual Commencement Date, the parties shall execute a Commencement Date Memorandum in the form attached hereto as Exhibit C. If Tenant does not sign the Memorandum within five (5) business days, Landlord will send confirmation of Commencement Date. Should Landlord tender possession of the Premises to Tenant prior to the date specified as the Commencement Date, and Tenant elects to accept such prior tender, such prior occupancy shall be subject to all the terms, covenants and conditions of this Lease.

1.2.2 Rent Commencement. The period of time between the Commencement Date and Rent Commencement Date is the "Fixturing Period" for the Premises. The Fixturing Period shall be the period from the Commencement Date (defined below) until January 15, 2005. Tenant shall proceed using continuous diligent efforts after the Landlord Completion Date to open as promptly as possible. The purpose of the Fixturing Period is to permit Tenant an opportunity to prepare the Premises for business. During the Fixturing Period, Tenant and Tenant's agents, servants, employees and subcontractors shall have access to the Premises during normal business hours for the purpose of constructing the Tenant Work (defined below) and readying the Premises for the commencement of business therein at Tenant's expense. During the Fixturing Period, Tenant shall be bound by and shall comply with all terms, covenants and conditions of this Lease, except that Tenant shall not be obligated to pay Rent or Additional Rent until the end of the Fixturing Period (the "Rent Commencement Date"). From and after the Rent Commencement Date, Tenant shall pay Landlord the Base Rent and Additional Rent (such payments and all other payments due from Tenant hereunder (including without limitation Percentage Rent) being deemed "Rent" for all purposes) and any other payments due under this Lease without prior notice, deduction or offset, in lawful money of the United States in advance on or before the first day of each month. Rent and other amounts due under this Lease for any partial month at the beginning or end of the Lease term shall be prorated. All payments to be paid to Landlord at its address specified in writing from time to time.

1.3 Extension Terms.

Provided Tenant is not in default under any of the terms hereunder beyond any applicable grace period, Tenant shall have the right to extend the term of this Lease for one (1) term of five (5) years upon the same terms and conditions as are set forth herein except for the Base rent, which shall be adjusted in accordance with current market conditions. Tenant shall exercise each such successive right to renew by delivering a notice of its intent to do so in writing to Landlord

(the Tenant Renewal Notice") no more than twelve (12) months and no less than nine (9) months prior to the expiration of the then current term of the Lease.

2. Rent.

2.1 Base Rent. The basic rent ("Base Rent") is as follows:

<u>Year</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>	<u>PSF</u>
1 -3	\$140,760	\$11,730	\$24.45
4-7	\$149,682	\$12,474	\$26.00
8-10	\$161,196	\$13,433	\$28.00

2.2 Percentage Rent. Upon achieving Gross Sales (defined below) at the Premises of \$3,000,000 (the "Tenant's Breakpoint") in any Lease Year, Tenant shall pay, as part of Rent and in addition to Base Rent, a sum equal to 4% (the "Percentage") of the amount by which annual Gross Sales exceed Tenant's Breakpoint (such amount being "Percentage Rent"). Tenant shall pay Percentage Rent on or before the fifteenth (15th) day following the close of each full calendar month, based on Gross Sales for such prior month. Monthly payments of Percentage Rent shall be calculated by multiplying the amount of Gross Sales in excess of the Breakpoint for the month in question by the Percentage, the first such payment to include any prorated Percentage Rent for the prior month. As soon as practicable after the end of each applicable Lease Year, the annual Percentage Rent for such Lease Year ("Annual Percentage Rent") shall be adjusted, each party to pay to the other, within ten (10) days after written demand, such adjustment to the agreed Annual Percentage Rent.

2.2.1 "Gross Sales" Defined. "Gross Sales" means the sales prices of all merchandise delivered and for all services performed by Tenant, and all merchandise sold, leased and delivered and all services rendered by Tenant and any permitted subtenant, licensee or concessionaire in, at, from, or arising out of the Premises, for cash or credit, or otherwise, without reserve or deduction for inability or failure to collect. Gross Sales shall include, without limitation, sales and services (a) where the orders are written in, at, from, or arising out of the Premises or are directed to the Premises, regardless whether delivery or performance is made from the Premises or some other place; (b) where orders originating at any other store of Tenant are filled by shipping from the Premises; (c) made or performed by mail, telephone, telecopy, telegraph, internet, world wide web, or other order taken, processed or filled at the Premises; (d) made or performed by mechanical or vending devices in the Premises; and (e) which Tenant or any permitted subtenant, licensee, concessionaire in the normal course would credit or attribute to its operations at the Premises. The rental rate set forth herein, and the Landlord's investment into the Property, was established based on Tenant's anticipated sales in the area served by the Property. If, after the date Tenant first opens the Premises for operations, Tenant directly or indirectly, or if any affiliate of Tenant directly or indirectly, operates within a ten (10) -mile radius of the Home Town Shopping Center the type of business described in the Use specified for the Premises in Section 4.1 below, then "Gross Sales" as defined herein shall include all gross sales from such location to the same extent as if such sales had been made from the Premises and

Landlord shall have all rights contained herein with respect thereto. Any customer deposit(s) not refunded shall be included in Gross Sales. Each installment or credit sale shall be treated as a sale for the full price in the month during the sale is made, regardless of collection. The following shall not be included in Gross Sales: (i) exchanges of merchandise between stores of Tenant made solely for Tenant's convenient operation and not to consummate a sale in, at, or from the Premises, or for the purpose of depriving Landlord of the benefit of a sale in, at, or from the Premises, or for depriving Landlord of the benefit of a sale which would otherwise be made in or at the Premises; (ii) refunds to customers (not to exceed the actual selling price of the item returned) otherwise included in Gross Sales; (iii) amounts collected and paid by Tenant to any government for any sales or excise tax; and (iv) any discount on sales to bona fide employees of Tenant employed at the Premises.

2.2.2 Statements of Gross Sales. Within fifteen (15) days after each calendar month beginning with Tenant first opening for business, Tenant shall deliver to Landlord an internally-prepared written report signed by an authorized officer or agent of Tenant certifying the Gross Sales made in such calendar month. Within sixty (60) days after the end of each Lease Year and after termination of the Lease, Tenant shall deliver to Landlord a statement of Gross Sales for the preceding Lease Year reflecting all Gross Sales for such Lease Year. The annual statement shall be internally-prepared and certified by the chief financial officer of Tenant that: (i) he/she has examined the report and tested Tenant's books and records to account for all Gross Sales; (ii) such report presents accurately and completely, in all material respects, all Gross Sales for such Lease Year; and (iii) the Gross Sales as reported are computed in compliance with the definition of Gross Sales herein. Such annual report being the "Annual Certified Statement." If Tenant fails to timely deliver any Annual Certified Statement to Landlord, Landlord, after thirty (30) days notice to Tenant, may elect either to examine Tenant's books and records as provided herein or to estimate Tenant's Gross Sales for such Lease Year (using such factors as Landlord deems relevant but in any event Landlord may use the highest monthly Gross Sales previously reported by Tenant or determined by prior examination). Landlord's estimate shall be binding on Tenant.

2.2.3 Tenant's Records: Examination. (A) Tenant will (i) operate the business at the Premises using for each transaction a written sales slip, invoice or non-resettable cash register receipt, computerized ordering system, or such other device for recording sales as Landlord approves; and (ii) keep and preserve, at the Tenant primary address in the Summary of Lease Terms for notice, for at least three (3) years after each Lease Year, a general ledger, receipt and disbursement journals, and such supporting documentation, together with original or duplicate books and records which disclose all information required to determine Gross Sales.

From time to time upon fifteen (15) days notice to Tenant, Landlord or any Lender and their agents may examine Tenant's books and records relating to Gross Sales (at Tenant's principal office) and operations at the Premises. If such examination reveals that the Gross Sales reported by Tenant for any period was less than Tenant's actual Gross Sales, Tenant shall pay to Landlord within ten (10) days after written demand any deficiency in Annual Percentage Rent with interest at the Default Rate from the date such portion of Annual Percentage Rent was due. If the examination reveals that actual Gross Sales for any period varied by more than three percent (3%) from the Gross Sales reported by Tenant, or if in the reasonable judgment of

Landlord Tenant's records are inadequate to accurately reflect Gross Sales or reflect any intentionally under-reporting, then (i) Landlord may estimate Tenant's Gross Sales, in the manner provided above for any periods with respect to which Tenant's records are inadequate and Tenant shall pay within ten (10) days after written demand any deficiency in Annual Percentage Rent with interest at the Default Rate; (ii) Tenant shall pay within ten (10) days after written demand all reasonable costs incurred by Landlord in connection with the examination (provided Tenant shall in any event pay such costs if the examination results from Tenant's failure to timely submit any Annual Certified Statement); and (iii) within fifteen (15) days after notice from Landlord, Tenant shall demonstrate to Landlord's absolute satisfaction that it has implemented a record-keeping system adequate to permit Landlord to verify Gross Sales. If Landlord determines that any deficiency in Tenant's records or discrepancies in Gross Sales reported by Tenant is a result of any bad faith, Landlord shall have the right immediately to declare an Event of Default.

3. Construction.

3.1 Landlord's Work. Landlord shall, prior to the Commencement Date, remove all existing tenant fixtures and prepare the premises for Tenant's Work (defined below). The Premises shall be delivered to Tenant in the Commencement Date broom-clean and ready for Tenant's Work to commence. Landlord shall not be obligated to construct any other improvements at the Premises to make the same ready for delivery to Tenant.

3.1.1 Landlord's Delays. If any actions required of Landlord are delayed as a result of an Excusable Delay, Tenant delays, or Tenant requested changes to the Tenant Work Plans, the Commencement Date shall be extended for a reasonable period of time under the circumstances (but not more than thirty (30) days with respect to Excusable Delays, there being no such limit based on Tenant's delays, and Tenant requested changes to the Landlord's Work Plans). Delays caused by, or resulting from, acts of God, war, terrorist activities or responses thereto, civil commotion, fire or other casualty, labor difficulties, shortages of labor, materials or equipment, government regulations or other causes beyond Landlord's reasonable control are "Excusable Delays". If the Commencement Date is delayed for reasons *other than* Excusable Delay, Tenant's delays, or Tenant's requested changes to the Landlord Work Plans, then Base Rent shall be abated at the rate of one day for each day beyond the Commencement Date as may be extended as provided herein (the "Outside Delivery Date") until the Landlord's Work is substantially completed (such amount of rent being the "Construction Delay Rent Abatement"). Any Construction Delay Rent Abatement will be added to and applied in the same manner as the Tenant Allowance.

3.1.2 Tenant Allowance. Provided Tenant is not in default of any of its obligations hereunder, Landlord shall provide the following allowance to Tenant (the "Tenant Allowance"): \$75,000 towards Base Rent during the first twelve (12) months after the Rent Commencement Date. The Tenant Allowance shall be paid to Tenant as a credit towards up to 55% of the monthly Base Rent due hereunder commencing on the first calendar month after the Rent Commencement Date until the Tenant Allowance has been exhausted.

3.2 Tenant's Work Plans and Tenant's Work. Tenant shall at its sole cost and expense construct all of the "Tenant's Work" specified in Exhibit D, and substantially complete the same lien-free as promptly as possible after the Commencement Date (the "Tenant's Completion Date"). Within thirty (30) days after execution of this Lease, Tenant shall furnish Landlord with plans relating to the Premises showing the Tenant's Work in reasonable detail ("Tenant's Work Plans"). The Tenant's Work Plans shall be consistent with the definition of the Premises and the layout of the Home Town Shopping Center. Landlord shall not unreasonably withhold approval of Tenant's Work Plans provided such plans satisfy the requirements herein and are consistent with the design and layout of the Home Town Shopping Center. Landlord shall in writing accept or propose reasonable changes to the Tenant's Work Plans within fifteen (15) business days after receipt from Tenant, and if Landlord fails to propose changes in writing to the Tenant's Work Plans within said fifteen (15) business day period they shall be deemed approved. Tenant shall implement the changes to the Tenant's Work Plans reasonably requested by Landlord.

3.2.1 Tenant's Approvals. Tenant shall at its cost and expense within thirty (30) days after Landlord's approval (or deemed approval) of the Tenant's Work Plans prepare, and file with the Town of Natick, any plans necessary or appropriate to obtain the approvals and/or permits necessary or appropriate to construct the Tenant's Work. Tenant shall at its expense obtain any building or other permits required to construct the Tenant's Work, and a certificate of occupancy following completion thereof prior to opening for business. Tenant shall deliver to Landlord within five (5) days of receipt a copy of any certificate of occupancy required for Tenant to commence operations.

3.2.2 Commencement of Tenant's Work. All of Tenant's Work shall be done in a good and workmanlike manner using new and high quality materials and in accordance with all laws, rules, regulations, building codes, the ADA and insurance requirements. Landlord shall have the right, effective upon the substantial completion of Landlord's Work, to arrange for water, sewer, electric and gas service for the Premises directly in Tenant's name and Tenant shall co-operate reasonably with the Landlord in connection therewith. Landlord shall have full access to the Premises during construction of the Tenant's Work to insure compliance with the terms herein. Tenant may utilize Landlord's general contractor or may utilize its own general contractor with a reputation for reliability and quality at least as good as the contractor utilized by Landlord. Tenant shall not permit any mechanics' liens, or similar liens, to exist upon the Premises for labor and material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed at the direction of Tenant, and shall cause any such lien to be released of record forthwith without cost to Landlord. Any alterations or improvements made by Tenant in performing the Tenant's Work other than trade fixtures and alterations or improvements specified by Landlord to be removed shall become the property of the Landlord upon termination of this Lease. All contractors, subcontractors and mechanics engaged by Tenant shall carry liability insurance (which shall name Landlord and its lender as an additional named insured) and workmen's compensation insurance reasonably satisfactory to Landlord, and Landlord shall be presented with certificates of same prior to the commencement of any work. Neither approval of the plans and specifications nor any supervision of the Tenant's Work by Landlord shall constitute a representation or warranty by Landlord as to

the accuracy, adequacy, sufficiency or propriety of such plans and specifications or the quality of workmanship or the compliance of such alteration with applicable law.

3.2.3 Punch List for Tenant's Work. Tenant shall be solely responsible for obtaining any certificate of occupancy required by Tenant's use of the Premises hereunder. Landlord represents that the Building presently has a commercial certificate of occupancy. Upon completion of Tenant's Work, the Tenant shall give Landlord written notice thereof, whereupon Landlord shall, at Landlord's sole expense, have ten (10) business days to have the Premises inspected by qualified contractors or inspectors of Landlord's choosing and to notify Tenant in writing within such period of any defects or Punch List items in Tenant's Work. With respect to defects in or Punch List items from the Tenant's Work of which Landlord has furnished proper notice hereunder, Tenant shall cure the same within ten (10) days (unless otherwise agreed between the parties in writing), after which time if any such defect is not cured then Landlord, upon prior written notice to Tenant, shall have the right to perform a repair of such alleged defect or item and charge the reasonable cost thereof to Tenant, which amount shall be paid immediately upon billing.

4. Uses.

4.1 Permitted Uses. The Premises are to be used only for the purpose of conducting the retail sale of sofas, furniture, mattresses, home furnishings, and related ancillary items ("Permitted Use") and for no other business or purpose without the prior written consent of Landlord.

4.2 Operations. Tenant shall, as of the Lease Commencement Date and throughout the Lease Term, continuously occupy the entire Premises for the Permitted Uses and commencing no later than the Rent Commencement Date, continuously keep the Premises open for business during all "normal business hours" as hereinafter defined. The term "normal business hours" as used herein, shall mean 10:00 a.m. to 9:00 p.m. on Monday through Friday; 10:00 a.m. to 5:00 p.m. on Saturday; and 12:00 noon through 5:00 p.m. on Sunday on days on which the Shopping Center is open for business. Tenant will keep the Premises fully stocked at all times with high quality and seasonal inventory. Tenant shall not conduct any distressed merchandise, "going-out-of business," or other form of liquidation or auction sale from the Premises. Tenant may not display or sell merchandise outside the exterior walls and doorways of the Premises and may not use such areas for storage. Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Premises as advertising medium, which may be heard or seen outside the Premises, such as flashing, lights, searchlights, loudspeakers, phonographs or radio broadcasts. Tenant shall not conduct or permit to be conducted any sale by auction in, upon or from the Premises whether said auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceeding.

4.2.1 No Nuisance or Waste. Neither Tenant, nor any of Tenant's agents, employees, contractors, or invitees will conduct any activity in or about the Premises that is unlawful or that will increase the existing rate of insurance on the Property. Tenant shall pay to

Landlord any and all increases in insurance premiums resulting from Tenant's use. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance or other act or thing which disturbs the quiet enjoyment of any other tenant in the Home Town Shopping Center. If any of the Tenant's office machines or other equipment disturb any other tenant in the Home Town Shopping Center, then Tenant shall provide adequate insulation, or take such other action as may be necessary to eliminate the noise or disturbance.

4.2.2 Compliance with Law. Tenant, at its expense, shall comply with all laws relating to its use or occupancy of the Premises, and shall procure and maintain all licenses and permits required for its use and occupancy. Without any limitation of the foregoing, Tenant shall be responsible for keeping the Premises in compliance with the requirements of the ADA and all regulations promulgated thereunder. Tenant's obligation to make alterations to the Premises to comply with laws relating to its use and occupancy of the Premises shall apply only to the Tenant's Work, changes necessitated by Tenant's specific use, and any alterations or improvements undertaken by Tenant after the completion of Landlord's Work.

4.2.3 Rules And Regulations. Tenant agrees to comply with such reasonable rules and regulations (see Exhibit E) as currently in effect and as Landlord may adopt from time to time and deliver to Tenant in writing for the safety, care and proper operation of the Home Town Shopping Center and parking and other common areas. Such rules may include but shall not be limited to the following: (i) restricting of employee parking to a limited, designated area or areas; and (ii) regulation of the removal, storage and disposal of Tenant's refuse and other rubbish at the sole cost and expense of Tenant. The rules and regulations shall be binding upon Tenant upon delivery of a copy of them to Tenant. ~~Neither Landlord nor Tenant shall be responsible to the other for the nonperformance of any of said rules and regulations by any other tenants or occupants of the Home Town Shopping Center. Notwithstanding the foregoing, such rules and regulations may not materially adversely affect Tenant's ability to use the Premises for its Permitted Uses.~~

4.3 Parking and Common Areas: Tenant and Tenant's employees and invitees shall have the non-exclusive right to park in the Home Town Shopping Center parking facilities in common with other tenants of the Home Town Shopping Center and their employees and invitees upon such terms and conditions as Landlord may from time to time establish. Tenant agrees not to overburden the parking facilities and agrees to cooperate with Landlord and other tenants at Home Town Shopping Center in use of the parking facilities. Landlord shall establish specific areas for parking by employees and Tenant shall use all reasonable efforts to enforce such restrictions. Landlord reserves the right in its absolute discretion to determine whether the parking facilities are becoming overburdened and to allocate and assign parking spaces among Tenant and other tenants, to reconfigure the parking area and other common areas, and modify the existing ingress to and egress from the parking area as Landlord shall deem appropriate.

Without any limitation of the foregoing, Landlord specifically advises Tenant that requirements imposed by the Town of Natick require that (i) no deliveries shall be made to the Premises other than during the hours of 8:00 a.m. to 5:00 p.m.; (ii) no trucks shall be parked overnight in any parking areas; and (iii) Wheeler Lane, abutting the west side of the Adjacent

Shopping Center shall be used only for emergency purposes and not for ordinary ingress and egress.

4.4 Contents at Tenant's Risk. All inventory, equipment, goods, merchandise, furniture, fixtures and property of every kind which may be on or about the Property shall be at the sole risk and hazard of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the use or abuse of water or by the leaking or bursting of water pipes, or by rising water, or by roof or other structural leak, or in any other way or manner (including interruption of utilities), no part of such loss or damage shall be charged to or borne by Landlord in any case whatsoever. Tenant agrees to maintain full and adequate insurance coverage on all of its property at the Premises and on the Property, including physical damage, theft and business interruption insurance. Such insurance on Tenant's property shall contain a waiver of subrogation clause in favor of Landlord, and if requested by Landlord, shall name Landlord, Landlord's Lender, and any Ground Lessor as an additional named insured, for the sole purpose of preventing a subrogation claim.

4.5 Indemnity. Tenant will exonerate, indemnify, defend, save and hold harmless the Landlord (and any and all persons claiming by, through or under Landlord, including Landlord's Lender and any Ground Lessor) from and against all claims, damages, proceedings, defenses thereof, liabilities, costs, and expenses of any kind and nature (collectively, "Claims"), including reasonable legal fees and costs, arising from any or all of the following: (i) any breach of this Lease by Tenant, its employees, agents, contractors, and invitees; (ii) Tenant's use and occupancy of the Premises; and (iii) any act, omission or negligence of the Tenant, or Tenant's contractors or licensees, or of the agents, servants, employees or invitees of Tenant, or Tenant's contractors or licensees, or persons coming onto the Property for the purpose of visiting or dealing with any one or more of the foregoing, or arising from any accident, injury or damage occurring on or about the Property which results or is claimed to have resulted from the negligence or misconduct of Tenant or Tenant's contractors or licensees, or of the agents, servants, employees or business invitees of Tenant, or Tenant's contractors or licensees; provided that the foregoing shall not apply to Landlord's negligent acts or omissions. This exoneration, indemnification and hold harmless agreement shall survive the termination of this Lease for any reason and shall be in addition to any insurance obtained, or requested to be obtained, under this Lease.

4.6 Hazardous Materials. As used herein, the term "Hazardous Material" shall mean any substance or material which has been determined by any state, federal or local governmental authority to pose a risk of injury to health, safety or property, including all of those materials and substances designated as hazardous or toxic by the city in which the Premises are located, the U.S. Environmental Protection Agency, the Consumer Product Safety Commission, the Food and Drug Administration, or any other governmental agency now or hereafter authorized to regulate materials and substances in the environment.

4.6.1 Landlord Representation; Tenant Covenant. Landlord represents and warrants to Tenant that to the best of Landlord's knowledge as of the date hereof and as of the Lease Commencement Date, the Premises is not and will not be in violation of any Hazardous

Materials laws. Tenant shall not introduce, store or possess any Hazardous Material in, on or adjacent to the Premises without (i) providing prior written notice to Landlord; and (ii) complying with all applicable federal, state and local laws, rules, regulations, policies and authorities relating to the storage, use or disposal, and clean-up of Hazardous Materials, including, but not limited to, the obtaining of proper permits. Tenant shall defend, exonerate, indemnify and hold harmless Landlord and its affiliates from any release, disposal or presence of Hazardous Materials on the Property caused by Tenant or persons for whom Tenant is responsible. Tenant's indemnification and hold harmless obligations shall not apply to the extent that such liabilities, costs, expenses or claims are attributable to the negligence, acts or omissions of Landlord. Tenant shall surrender the Premises to Landlord upon the expiration or earlier termination of this Lease free of Hazardous Materials introduced by Tenant and or those for whom Tenant is responsible.

Tenant shall immediately notify Landlord of Tenant's discovery of any inquiry, test, investigation, or enforcement proceeding by or against Landlord or the Property concerning a Hazardous Material, and any release or threat of release of any Hazardous Material on the Property. Tenant acknowledges that Landlord, as the owner of the Property, shall have the right, at its election, in its own name or as Tenant's agent, to negotiate, defend, approve, and appeal, any action taken or order issued with regard to a Hazardous Material on the Property.

4.6.2 Tenant's Liability. If Tenant or its agents, employees, contractors or invitees storage, use or disposal of any Hazardous Material in, on or adjacent to the Premises results in any contamination of the Property, the soil or surface or groundwater, Tenant shall promptly clean-up the contamination at Tenant's expense. Tenant further agrees to indemnify, defend, exonerate and hold Landlord harmless from and against any claims, investigations, suits, causes of action, costs, fees, including attorneys' fees and costs, arising out of or in connection with any clean-up work, inquiry or enforcement proceeding in connection therewith.

4.6.3 Landlord's Investigation. Notwithstanding any other right of entry granted to Landlord under this Lease, upon prior telephonic notice to Tenant at the Premises, Landlord shall have the right to enter the Premises or to have consultants enter the Premises throughout the term of this Lease for the purpose of determining: (1) whether the Premises are in conformity with federal, state and local statutes, regulations, ordinances, and policies including those pertaining to the environmental condition of the Premises, (2) whether Tenant has complied with this Section, and (3) the corrective measures, if any, required to ensure the safe use, storage and disposal of Hazardous Materials, or to remove Hazardous Materials or to comply with any laws. Tenant agrees to provide access and reasonable assistance for such inspections. Such inspections may include, but are not limited to, entering the Premises or adjacent property with drill rigs or other machinery for the purpose of obtaining laboratory samples provided the same shall be done in a manner to minimize the impact on Tenant's operations. Landlord shall not be limited in the number of such inspections during the term of this Lease. If Tenant has violated any applicable Hazardous Material law affecting the Premises or the Property, or caused a reportable event, Tenant shall reimburse Landlord for the cost of such inspections within ten (10) days of receipt of a written statement therefor. If such consultants determine that the Premises are contaminated with Hazardous Materials introduced by Tenant or any person controlled by Tenant, Tenant shall promptly, at its expense, remove such Hazardous Materials or otherwise comply with

the recommendations of such consultants to the reasonable satisfaction of Landlord and any applicable governmental agencies. The right granted to Landlord herein to inspect the Premises shall not create a duty on Landlord's part to inspect the Premises, or liability of Landlord for Tenant's use, storage or disposal of Hazardous Materials, it being understood that Tenant shall be solely responsible for all liability in connection therewith.

Tenant's obligations under this Section 4.6 shall survive termination of this Lease for any reason.

4.7 Advertising. Tenant shall not display any sign, graphics, notice, picture, or poster, or any advertising matter whatsoever, anywhere in or about the Premises or the Home Town Shopping Center at places visible from anywhere outside the Premises, except within the interior of the Premises, without first obtaining Landlord's written approval hereto, such approval to be at Landlord's sole discretion (provided that with respect to any display visible from the outside of the Building, Landlord shall use reasonable discretion). Any such approval by Landlord shall be upon the understanding and condition that such materials will be professionally designed and prepared and that Tenant will maintain the sign in good condition and remove the same at Tenant's expense upon the expiration or sooner termination of this Lease. Tenant shall repair any damage caused by such removal. Tenant shall include the name of the Home Town Shopping Center in all advertising and marketing involving the Premises, including all broadcast and electronic media (such as the worldwide web or internet).

4.7.1 Exterior Signs. Landlord grants consents to Tenant, at Tenant's expense, installing its standard logo and sign on the façade of the Building outside the Premises as set forth in Exhibit F-1 and Exhibit F-2, provided Tenant obtains the prior written approval from any applicable government authority with respect thereto and delivers a copy of the same to Landlord in advance. Tenant shall place no other signs in the common areas or upon the outside walls or roof of the Home Town Shopping Center or elsewhere on the Property except with the prior written approval of the Landlord (not be unreasonably withheld, conditioned or delayed following receipt of detailed plans and specifications from Tenant prior to installation). After receiving written Landlord approval, Tenant shall affix a sign to the exterior facade of the Premises in accordance with the applicable sign criteria (a copy of the present uniform sign criteria is annexed hereto as Exhibit F-2), which Landlord shall establish for the Building. All signs shall (i) be consistent with the Home Town Shopping Center standard storefront and elevation and (ii) be subject to all laws, rules, ordinances, regulations and requirements including, without limitation, building codes and zoning ordinances of all federal, state and municipal governments. Tenant shall at its expense obtain prior written approval for any of its signs from any regulatory body and deliver a copy of such approval to Landlord prior to installing any sign at the Premises. Without any limitation of the foregoing, Tenant acknowledges that, by requirement of the Town of Natick, (i) all lights in the Premises and the Home Town Shopping Center, except for those needed for security purposes, will be turned off one-half hour after the closing hours for the Home Town Shopping Center, and (ii) signage on the facade of the Premises cannot exceed twenty-four (24") inches in height nor be larger than eighty (80) square feet. Tenant shall not place a flashing or moving or other sign within the Premises which, in Landlord's sole opinion is objectionable or contrary to the best interests of the Home Town Shopping Center. Any sign erected on the exterior

or placed in, on or about the Premises shall be subject to Landlord's prior written approval as to its size, content, design, color, and location.

4.7.2 Pylon. To the extent Landlord maintains a pylon concerning the Home Town Shopping Center for signs by the Tenants, Landlord shall permit Tenant, at Tenant's sole cost and expense, to place its sign on the pylon, subject to all codes and ordinances as aforesaid, the rights and signage of other tenants, and subject to Landlord's sign criteria. Landlord shall provide Tenant with an allocation of one standard panel. Tenant shall be entitled to one standard panel on the pylon according to the relative square footage of the Premises to the square footage in Home Town Shopping Center. The cost of maintaining and providing electricity for the pylon sign shall be added to the Common Charges for which Tenant shall pay Additional Rent. Tenant shall at its expense remove any of its signs upon the termination of this Lease and repair any damage caused by the sign installation or removal and, if Tenant fails to do so, Landlord shall have the right to remove the signs and make such repairs at Tenant's expense.

5. - Repairs And Maintenance.

5.1 Landlord's Obligation. Landlord shall maintain, or cause to be maintained, the common areas of the Home Town Shopping Center (including without limitation any pylon sign) in reasonably good order and condition (except for damage occasioned by any act or omission of Tenant or Tenant's employees, guests, agents, customers, independent contractors, or invitees, the repair of which damage shall be paid for by Tenant within ten (10) days of Landlord's written demand). Landlord shall repair the structural portions of the roof of the Building, the foundation of the Building, and exterior walls of the Building and the Adjacent Shopping Center and the roof, the underground utility and sewer pipes outside the exterior walls of the Building and the Adjacent Shopping Center, irrigation systems, if any, except repairs rendered necessary by the acts or omissions of Tenant, or Tenant's employees, guests, agents, customers, independent contractors or invitees, the repair of which shall be performed by Landlord but paid for by Tenant within ten (10) days of Landlord's written demand. Tenant shall promptly report in writing to Landlord any condition known to it which Landlord is required to repair, and failure to so report such condition shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such failure to report the condition.

5.2 Tenant's Obligations. Except for the Landlord Work, Tenant shall accept the Premises in "as is" condition in which they shall be delivered to Tenant. Tenant shall, throughout the initial term of this Lease and any renewals thereof, at its expense, maintain in good safe order and repair (consistent with the Home Town Shopping Center) the interior, non-structural portions of the Premises, including, without limitation, all mechanical and heating, ventilation and air conditioning (HVAC) equipment, systems and ductwork serving the Premises, all utilities located within and servicing the Premises exclusively, and all plumbing and sprinkler systems (excepting only those repairs expressly required to be made by Landlord hereunder), all interior floors and flooring, and all doors (including locks), glass and windows. Tenant agrees to maintain and pay for a preventative maintenance contract for the HVAC equipment with a reputable contractor acceptable to Landlord, and to annually provide a copy to Landlord of such contract. Tenant shall keep the Premises (and the windows) and the areas in front of the

Premises clear of trash and debris. If in Landlord's reasonable judgment the HVAC system serving the Premises is no longer reasonably serviceable and should be replaced, then Landlord shall be responsible for such replacement, and the cost thereof shall be charged to Tenant on a monthly basis utilizing a ten-year amortization schedule over the remaining term of this Lease. Tenant agrees to return the Premises to Landlord at the expiration or termination of this Lease in as good condition and repair as when first received, normal wear and tear, damage by storm, fire, lightning, earthquake or other casualty not the responsibility of Tenant excepted. Tenant hereby waives any right Tenant may have to make repairs and deduct the expenses of such repairs from the Rent due under the Lease, Tenant's obligations to pay Rent at all times being an independent obligation of Tenant. Notwithstanding the foregoing, Tenant shall be responsible for all costs associated with repairs to any part of the Property or Home Town Shopping Center necessitated by the act, default or negligence of Tenant or its agents or invitees.

6. Utilities And Services.

6.1 Utility Bills. If not otherwise included as part of the Common Charges (defined below) payable by Tenant as Additional Rent herein, Tenant shall promptly pay directly before the same become delinquent any separately metered water, sewer, gas, electricity, fuel, phone, light, heat, electric power and other utility bills for the Premises. If Tenant does not pay these bills prior to delinquency and within thirty (30) days after written notice from Landlord, Landlord may pay them and such payment shall be added to the Rent. If such utilities are not separately metered to the Premises, Landlord will bill Tenant for Tenant's proportionate share based on Tenant's percentage of the Home Town Shopping Center or on such other equitable basis as determined by Landlord.

6.2 Disclaimer. Except if resulting from Landlord's gross negligence or failure of Landlord to perform its express obligations herein within thirty (30) days after written notice from Tenant, Landlord shall not be liable for any loss, injury or damage to property caused by or resulting from any variation, interruption, or failure of such services due to any cause whatsoever, or from failure to make any repairs or perform any maintenance, nor shall any such acts constitute an eviction of Tenant. No interruption or failure of such services incident to the making of repairs, alterations, or improvements, or due to accident, strike, or conditions or events beyond Landlord's reasonable control (such as Excusable Delays) shall be deemed an eviction of Tenant or relieve Tenant from any of Tenant's obligations hereunder. Except if resulting from Landlord's gross negligence or failure of Landlord to perform its express obligations herein within thirty (30) days after written notice from Tenant, in no event shall Landlord be liable to Tenant for any damage to the Premises or for any loss, damage or injury to any property therein or thereon occasioned by bursting, rupture, leakage or overflow of any plumbing or other pipes (including, without limitation, water, steam, and/or refrigerant lines), sprinklers, tanks, drains, drinking fountains or washstands, or other similar cause in, above, upon or about the Premises or the Home Town Shopping Center.

6.3 Heat Producing Equipment. Before installing any equipment or lights which generate an undue amount of heat in the Premises or if Tenant plans to use any high-power usage equipment in the Premises, Tenant shall obtain the written permission of Landlord. Landlord

may refuse to grant such permission unless Tenant agrees to pay the costs to Landlord for installation of supplementary air conditioning capacity or electrical systems necessitated by such equipment. At Landlord's option, Landlord may require Tenant to remove, at Tenant's expense, any such electrical systems or supplementary air conditioning system upon termination of the Lease, and Tenant shall repair any damage caused by such removal.

7. Common Charges And Property Taxes. Tenant shall pay Landlord monthly in advance on the first of the month commencing on the Rent Commencement Date, as part of Rent hereunder, Tenant's CAM Percentage and Tenant's Tax Percentage (such amounts and other sums due from Tenant other than the Base Rent and Percentage Rent being "Additional Rent") without deduction or offset for any reason as follows:

7.1 Common Charges - Additional Rent. Commencing on the Rent Commencement Date Tenant shall pay to Landlord in advance Tenant's CAM Percentage (as set forth in the Summary of Basic Terms) of the total cost of all expenses incurred by Landlord in connection with the operation, maintenance and repair of the Home Town Shopping Center ("Common Charges"), including:

(i) All Insurance Premiums. Such insurance premiums shall include all insurance premiums for fire ("All-Risk"), extended coverage, public liability, property coverage (including replacement cost, law and ordinance and other endorsements), together with such other insurance which Landlord deems necessary or appropriate;

(ii) All Common Expenses. All costs to maintain (including preventive maintenance), clean, repair, replace, supervise, insure (including provision of public liability insurance), light, remove snow and ice, maintain dumpsters and trash removal, vermin control, and administer the buildings constituting the Home Town Shopping Center, common areas, thereof such as parking areas, landscaping, and sidewalks, maintenance and repair of easement areas, any improvements in, repairs to and replacements of the building equipment and operating systems (other than those exclusively charged to a particular tenant), landscaping, signage not the obligation of specific tenants, the pylon sign (if any), sprinkler systems, wells, sidewalk, driveways, and the roof, exterior walls, foundations and HVAC equipment;

(iii) All allocable share of any expenses incurred jointly with the owner of the Adjacent Center to the extent such expenses are incurred for common use, maintenance or repair of shared common areas or easements;

(iv) Any costs levied, assessed or imposed by, or at the direction of, or resulting from statutes or regulations, or interpretations thereof, promulgated by any governmental authority or insurer in connection with the use or occupancy of the Home Town Shopping Center (excluding any increases resulting specifically from and chargeable to the particular use of another tenant of a portion of the Home Town Shopping Center);

(v) Any property management fees, not to exceed reasonable fees for such services, and administrative costs, including, but not limited to, the cost of compensation (including employment taxes and all fringe benefits) of all persons who perform duties connected with the

management, operation, maintenance and repair of the Home Town Shopping Center, its equipment, parking facilities and the common areas; and

(vi) Amortization of any energy management system or other capital improvements installed by Landlord (other than those installed solely for the benefit of and chargeable to a particular tenant) which under generally accepted accounting practices in the real estate industry are amortized, in which case a portion thereof shall be included in Common Charges according to Landlord's amortization schedule.

Notwithstanding anything in this Lease contained to the contrary, Common Charges shall not include (i) costs billed to and paid by specific tenants; (ii) the costs of repairs or replacements resulting from insured casualty losses not caused by Tenant's acts or omissions, or eminent domain takings for which Landlord receives insurance or other proceeds; (iii) depreciation or amortization of the Property; (iv) ground lease rents or payments of any debt (other than for leased or financed equipment utilized at the Home Town Shopping Center) or equity obligations; and (v) services provided for a particular tenant, and not tenants in general.

As to the cost of compensation of persons who perform regular and recurring duties connected with the management, operation, maintenance and repair of the Home Town Shopping Center, in the event such persons perform such services for Landlord at multiple locations the costs incurred for such compensation shall be adjusted so that the amount included as part of the Common Charges in this Lease bears a fair relationship to the amount of time actually devoted to duties connected with the Home Town Shopping Center.

7.1.1 Monthly Payments. Prior to the Commencement Date, Landlord shall submit to Tenant an estimate of monthly Common Charges for the period between the Commencement Date and the following January 1. Tenant shall pay its Pro Rata CAM Percentage monthly in advance on the first of each month commencing on the Commencement Date. After the Rent Commencement Date and thereafter prior to commencement of each Lease Year, Tenant shall pay its Pro Rata CAM Percentage of estimated Common Charges as Additional Rent on a monthly basis in advance concurrently with the payment of the Rent without setoff or deduction of any kind. Tenant shall continue to make such monthly Common Charges payments in advance for every month of the term until notified by Landlord of any change therein. Within ninety (90) days after the end of each year, Landlord shall provide to Tenant a statement showing the total Common Charges for the prior calendar year and Tenant's allocable share thereof, prorated from the Commencement Date during the first year. If the total monthly payments which Tenant has made for the prior calendar year (or portion thereof during which this Lease was in effect) is less than the Tenant's actual share of such Common Charges, then Tenant shall pay the difference in a lump sum within thirty (30) days after receipt of such statement from Landlord. Any overpayment by Tenant shall be credited towards the Common Charges next due. The actual Common Charges for the prior year shall be used for purposes of calculating the estimated monthly Common Charges for the current year with actual determination of such Common Charges occurring after the end of each calendar year. Even though the term of this Lease has expired and Tenant has vacated the Premises, when the final determination is made of Common Charges for the year in which this Lease terminates, Tenant shall immediately pay any increase over the estimated Common Charges

previously paid and, conversely, any overpayment shall be immediately returned by Landlord to Tenant. Failure of Landlord to submit statements as called for herein shall not be deemed a waiver of Tenant's obligation to pay Common Charges as herein provided

7.2 Property Taxes - Additional Rent. Tenant shall pay to Landlord monthly in advance commencing on the Rent Commencement Date as part of Additional Rent the Pro Rata Tax Percentage of Property Taxes.

7.2.1 Tenant's share of taxes shall be determined as provided herein, utilizing the following definitions:

7.2.1.1. All Property Taxes. "Property Taxes" shall be defined to include any form of assessment, license, fee, rent, tax, levy, penalty or interest (if a result of Tenant's delinquency), or tax now or hereafter imposed by any authority having the direct or indirect power to tax, or by any town, county, state or federal government or any improvement or other district or division thereof, whether such tax is: (i) determined by the area of the Home Town Shopping Center or the parcel upon which it is constructed or any part thereof or the Rent and other sums payable hereunder by Tenant; (ii) upon any legal or equitable interest of Landlord in the Home Town Shopping Center, the parcel upon which it is constructed or the Premises or any part thereof; (iii) levied or assessed in lieu of, in substitution for, or in addition to, existing or additional taxes against the Home Town Shopping Center or the parcel upon which it is constructed whether or not now customary or within the contemplation of the parties, provided that the aggregate of all such alternative taxes shall be comparable to real estate taxes measured by current methods; or (iv) surcharged against the parking area. Notwithstanding the foregoing, Tenant shall not be obliged to pay any income tax, estate tax, inheritance tax or succession tax which may be levied upon or against any estate or interest of Landlord. This definition of Property Taxes is based upon the present system of real estate taxation in the Commonwealth of Massachusetts; if taxes upon rentals or any other basis shall be substituted, in whole or in part, for the present ad valorem real estate taxes, the term Taxes shall be deemed changed to the extent to which there is such a substitution for the present ad valorem real estate taxes.

7.2.1.2. The Term "Lease Year" shall mean the period as set forth in Section 1.3 above.

7.2.2 Additional Rent for Estimated Tenant's Pro Rata Tax Percentage. Prior to the Commencement Date and thereafter prior to commencement of each Lease Year, Landlord shall furnish Tenant with a written statement setting forth the estimate of Tenant's Pro Rata Tax Percentage for such Lease Year. One-twelfth (1/12th) of the amount, of such estimated the Pro Rata Tax Percentage shall be Additional Rent payable by Tenant in advance each month with other Rent without setoff or deduction of any kind.

7.2.3 Actual Property Taxes. Within ninety (90) days after the close of each Lease Year during the term hereof, Landlord shall deliver to Tenant a written statement setting forth the Tenant's Pro Rata Tax Percentage during the preceding Lease Year. If such amount exceeds the Tenant's estimated Pro Rata Tax Percentage previously paid, Tenant shall pay the

amount of such excess to Landlord as Additional Rent within thirty (30) days after receipt of such statement. If such statement shows such amount to be less than the amount paid by Tenant to Landlord, then the amount of such overpayment shall be credited by Landlord to the next Rent payable by Tenant.

7.2.4 End of Term. If this Lease terminates on a day other than the last day of a Lease Year, the amount of any adjustment between the estimated and actual Tenant's Pro Rata Tax Percentage with respect to the Lease Year in which such termination occurs shall be prorated on the basis of a 365-day year; and any amount payable by Landlord to Tenant or Tenant to Landlord with respect to such adjustment shall be payable within thirty (30) days after delivery by Landlord to Tenant of the statement of Tenant's Pro Rata Tax Percentage with respect to such Lease Year.

7.2.5 Personal Property Taxes. Tenant shall pay, or cause to be paid, before delinquency any and all taxes levied or assessed and which become payable during the term of this Lease upon all Tenant's leasehold improvements, equipment, furniture, fixtures, and any other trade fixtures and personal property located on the Premises. In the event any or all of Tenant's leasehold improvements, equipment, furniture, fixture, and any other personal property and trade fixtures shall be assessed and taxed with Property Taxes, Tenant shall pay to Landlord such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

8. Tenant's Insurance.

8.1 Liability Insurance. Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease a policy of comprehensive general liability insurance including personal injury liability, contractual liability, products and completed operations liability, business interruption, and liquor liability (if applicable), with extended coverage and business interruption endorsements, coinsuring Landlord (and any ground lessor) and Tenant and their agents and invitees against any liability arising out of the ownership, use, occupancy or maintenance of the Premises and naming Landlord as an additional insured. Such insurance shall be in the amount of not less than Five Million and no/100ths Dollars (\$5,000,000.00) for bodily injury (or death) for any one accident or occurrence, and property damage insurance in an amount of not less than One Million Dollars (\$1,000,000.00) for any one accident or occurrence. Upon demand, Tenant shall provide Landlord, at Tenant's expense, with such increased amount of existing insurance, and such other insurance as Landlord or Landlord's lender may reasonably require. The limit of any of such insurance shall not limit the liability of Tenant hereunder. Tenant may provide this insurance under a blanket policy, provided that such insurance shall have a landlord's protective liability endorsement specifically describing the Premises and allocating the aforementioned insurance to the Premises. The maintenance of any insurance required hereunder shall not limit Tenant's indemnification obligations in this Lease.

8.2 Fire Insurance - Fixtures And Equipment. Tenant shall, at its expense, maintain in full force and effect on all of Tenant's trade fixtures and equipment and other personal property on the Premises, a policy of all risk property insurance covering the full replacement

value of such property. During the term of this Lease, the proceeds from any such policy of insurance shall be used for the repair or replacement of the fixtures and equipment so insured. Landlord shall have no interest in the insurance upon Tenant's equipment and fixtures and will sign all documents reasonably necessary or appropriate in connection with the settlement of any claim or loss by Tenant. Landlord will not carry insurance on Tenant's possessions. Tenant shall furnish Landlord with certificates of insurance evidencing that the requirements set forth herein are in full force and effect. Any deductible in excess of Five Thousand Dollars (\$5,000) under such insurance must be approved in writing by Landlord prior to issuance of such policy. Upon demand, Tenant shall provide Landlord, at Tenant's expense, with such increased amount of existing insurance, and such other insurance as Landlord or Landlord's lender may reasonably require. Tenant shall provide Landlord with notice of loss or damage to property within forty-eight (48) hours after such loss or damage occurs. Prior to the Commencement Date, Tenant shall furnish Landlord with certificates of such insurance naming Landlord as an additional named insured and thereafter at least thirty (30) days prior to the expiration of any policies then in place. No policy shall be cancelable or subject to reduction of coverage except upon thirty (30) days' prior written notice to Landlord.

8.3 General Insurance Requirements.

8.3.1 Landlord May Procure. If Tenant fails to procure and maintain such insurance, Landlord may, but shall not be required to, procure and maintain the same at commercially reasonable rates, at Tenant's expense to be reimbursed by Tenant within ten (10) days of written demand. All insurance required to be obtained by Tenant hereunder shall be issued by companies reasonably acceptable to Landlord.

8.3.2 Insurance Standards. Thirty (30) days prior to the Lease Commencement Date (and thereafter at least 30 days prior to the expiration of any policy), Tenant shall deliver to Landlord certified copies of policies (or replacement policies) or, at Landlord's discretion, certificates of insurance required herein with loss payable clauses satisfactory to Landlord (with Tenant to deliver copies of the policies within five (5) days after Tenant's receipt thereof). Any deductible under such insurance policy in excess of Five Thousand Dollars (\$5,000) must be approved by Landlord in writing prior to issuance of such policy. No policy shall be cancelable or subject to change or reduction of coverage except upon thirty (30) days' prior written notice to Landlord. All such policies shall name Landlord, any ground lessor and their agents as additional named insureds, shall be written as primary policies not contributing with and not in excess of coverage which Landlord may carry, shall include waivers of all rights of subrogation, and shall be written with an insurance carrier satisfactory to Landlord. From time to time, as Landlord deems necessary, the insurance coverage and limits of such coverage required hereunder will be reviewed by Landlord, and Tenant will be notified of any revisions or increases thereto required by Landlord. Tenant shall obtain any revised or increased coverage reasonably required by Landlord or its lender within thirty (30) days of any such notification from Landlord.

8.4 Tenant's Risk. Tenant agrees that its use and occupancy of the Property is at its own risk, and Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, and Tenant hereby waives and releases Landlord, for any loss or

damage that may be occasioned by or through the acts or omissions of persons occupying or using adjoining premises or any part of the Home Town Shopping Center, or otherwise, or for any loss or damage resulting to the Tenant or those claiming by, through or under Tenant, or its or their property, except for loss or damage caused solely by Landlord's gross negligence or intentional acts or omissions.

9. Destruction And Damage.

9.1 Casualty Damage - Insured. If the Building is damaged by fire or other perils covered by extended coverage insurance the following provisions shall apply:

9.2 Total Destruction. In the event of total destruction of the Building, Landlord shall elect either to promptly commence repair and restoration of the Building and prosecute the same diligently to completion, in which event this Lease shall remain in full force and effect, or not to repair or restore the Building, in which event this Lease shall terminate. In either case, Landlord shall give Tenant written notice of its intention within ninety (90) days after the occurrence of such destruction. If Landlord elects not to restore the Building, this Lease shall be deemed to have terminated as of the date of such total destruction. Unless the casualty was caused by the negligence, acts, or omissions of Tenant, Base Rent, Percentage Rent and Additional Rent shall abate from the date of the casualty. If such damage is not repaired or restored by Landlord within two hundred forty (240) days following the occurrence of such casualty, Tenant shall have the right exercisable by written notice within fifteen (15) days after the end of such 240-day period to terminate this Lease effective upon thirty (30) days prior written notice unless Landlord completes the repair or restoration within said thirty (30) day period.

9.3 Partial Destruction. In the event of a partial destruction of the Building to an extent not exceeding twenty-five percent (25%) of the leasable area of the Premises and if the damage thereto is such that the Building may be repaired or restored within one hundred twenty (120) days from the date of such destruction and Landlord will receive insurance proceeds sufficient to cover the cost of such repairs, Landlord shall commence and proceed diligently with the work of repair and restoration, in which event the Lease shall continue in full force and effect; or if such repair and restoration requires longer than one hundred twenty (120) days or the leasable area of the Premises damaged exceeds twenty-five percent (25%) of the full insurable value thereof or if the insurance proceeds payable to Landlord will not be sufficient to cover such cost, Landlord may elect either to so repair and restore, in which event the Lease shall continue in full force and effect, or not to repair, reconstruct or restore, in which event the Lease shall terminate. In either case, Landlord shall give written notice to Tenant of its intention within ninety (90) days after the destruction occurs. If Landlord elects not to restore the Building, this Lease shall be deemed to have terminated as of the date of such partial destruction.

Notwithstanding anything in this Lease to the contrary, in the event of any partial damage to the Premises not caused by the negligence, acts or omissions of Tenant or its employees, agents, servants, or contractors and, as a result, more than seventy five percent (75%) of the leasable area of Home Town Shopping Center is damaged and which cannot be repaired within one hundred twenty (120) days according to a reputable contractor designated by Landlord,

Tenant may close its store, and if Tenant so ceases its operations under these circumstances, all Base Rent, Percentage Rent and Additional Rent shall abate until the date that is three (3) calendar days after notice to the Tenant that Landlord's contractor has certified that the repairs are completed. If such contractor reasonably and in good faith determines the repair cannot be completed within one hundred twenty (120) days, then Landlord or Tenant may terminate this Lease within thirty (30) days of such determination. If such damage is not repaired or restored by Landlord within one hundred twenty (120) days following the occurrence of such casualty, Tenant shall have the right exercisable by written notice within fifteen (15) days after the end of such 120-day period to terminate this Lease effective upon thirty (30) days prior written notice unless Landlord completes the repair or restoration within said thirty (30) day period. If Tenant fails to elect within said period(s) to terminate then its right to terminate shall be deemed waived. In the event of any partial damage to the Premises caused by the negligence, acts or omissions of Tenant, or its employees, agents, servants, or contractors then there shall not be any right to cease operations or to abate any Rent unless this Lease is terminated by Landlord as provided herein.

9.4 Release. Upon any termination of this Lease under any of the provisions of this article, all obligations theretofore accrued shall remain unimpaired and the terms herein that apply to or survive termination shall apply.

9.5 Rent Abatement. In the event of repair and restoration as herein provided, the monthly installments of Base Rent, Percentage Rent and Additional Rent shall not be abated unless Tenant's operations in the Premises are materially impaired, in which event Base Rent shall be abated proportionately from the date of the damage in the ratio which the Tenant's use of the Premises is impaired during the period of such repair, reconstruction or restoration; provided, however, if the damage is due, directly or indirectly, to the fault or neglect of Tenant, or its officers, contractors, licensees, agents, servants, employees, guests, invitees or visitors, there shall be no abatement of Rent. Tenant shall not be entitled to any compensation or damage for loss of use of the whole or any part of said Premises and/or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

9.6 Delay. Tenant shall not be released from any of its obligations under this Lease as a result of a casualty except to the extent and upon the conditions expressly stated in this article. Notwithstanding anything to the contrary contained in this article; if Landlord has elected to repair and restore the Premises and is thereafter delayed or prevented from repairing or restoring the Premises by Excusable Delays, Landlord shall be relieved of its obligation to make such repairs or restoration during such delays and, at Landlord's or Tenant's option, this Lease may be terminated if such delay continues for twelve (12) continuous months after the casualty.

9.7 Uninsured Damage. If damage to the Building or the Premises is due to any cause other than fire or other peril covered by extended coverage insurance, Landlord may elect to terminate this Lease within one hundred twenty (120) days after such damage.

9.8 Repair Obligation. If Landlord is obligated to or elects to repair or restore as herein provided, Landlord shall repair or restore only those portions of the Building and

Premises which were originally constructed by Landlord; and the repair and restoration of areas or items not constructed by Landlord shall be the obligation of Tenant, which Tenant shall construct diligently to completion after Landlord's work is complete to a point allowing such Tenant construction.

9.9 End of Term. Notwithstanding anything to the contrary contained in this article, Landlord may elect to terminate this Lease in the event of damage to the Building or the Premises occurring during the last (12) months of the Lease or any extension thereof. Landlord shall not have any obligation to repair or restore the Premises or the Building during the last twelve (12) months of this Lease or any extension thereof.

10. Alterations And Additions. Tenant shall not make or allow to be made any alterations, additions or improvements to or on the Premises other than the Tenant's Work without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Any such alterations, additions or improvements shall be made at Tenant's sole expense, according to plans and specifications approved in writing by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. All such alterations shall be made in compliance with all applicable laws, by a licensed contractor, lien free, and in a good and workmanlike manner conforming in quality and design with the Premises, shall not diminish the value of the Home Town Shopping Center or the Premises and except for moveable trade fixtures and furnishings (which shall remain Tenant's property) shall at once become a part of the realty and shall be surrendered with the Premises (unless Landlord elects to remove the same at Tenant's expense, such election to be made by Landlord within ninety (90) days of the expiration or termination of this Lease). Tenant shall not permit any contractor or supplier to do any work at or furnish any materials to the Premises without first delivering to Landlord satisfactory evidence of the contractor's comprehensive liability insurance, worker's compensation insurance, and such other insurance as Landlord may reasonably require. If Tenant is performing any work costing more than \$25,000, Tenant shall provide a lien completion bond prior to commencement of any such work.

11. Acceptance Of Premises. Tenant shall be deemed to have accepted the Premises on the Commencement Date in their "as is" condition. The Premises shall be leased to Tenant in "AS IS" condition without representation or warranty by Landlord, and without any obligation of Landlord to construct Tenant improvements or perform any other work in the Premises. By taking possession and occupying the Premises, Tenant shall be deemed to have (a) accepted the Premises in their then current condition; (b) acknowledged that the Premises are ready for occupancy under this Lease; and (c) agreed that the obligations of Landlord with respect to preparation of the Premises for occupancy have been fully performed. By its entry into this Lease, Tenant represents and acknowledges to Landlord that Tenant has satisfied itself as to the use which it is permitted to make of the Premises and has inspected the Premises, and the streets, sidewalks, curbs, utilities and access ways contiguous to or adjoining the same, that the same are in all ways acceptable to Tenant for use by Tenant for the Use pursuant to this Lease, in the condition or state in which they are now found and that Landlord has made no express or implied warranty, representation or covenant to or with Tenant with respect to the same, other than as may be set forth expressly herein.

12. Access. Tenant shall permit Landlord and its agents to enter the Premises at all reasonable times to inspect the same; to show the Premises to prospective tenants (during the last 12 months of the term), or interested parties such as prospective lenders and purchasers; to clean, repair, alter or improve the Premises or the Building; to discharge Tenant's obligations when Tenant has failed to do so within a reasonable time after written notice from Landlord; to post notices of no responsibility and similar notices and "For Sale" signs and to place "For Lease" signs upon or adjacent to the Home Town Shopping Center or the Premises at any time within twelve (12) months of the expiration of the term of this Lease, except that Landlord shall not place any signs on Tenant's entrance doors. Tenant shall permit Landlord and its agents to enter the Premises at any time without prior notice in the event of an emergency. When reasonably necessary, Landlord may temporarily close entrances, doors, corridors, elevators or other facilities without liability to Tenant by reason of such closure.

13. Waiver of Subrogation. Landlord and Tenant hereby release each other, to the extent of their respective insurance coverages, from any and all liability for any loss or damage caused by fire, any of the extended coverage casualties, or other casualties insured against, even if such fire or other casualty shall be brought about by the fault or negligence of the party benefited by the release or its agents; provided, however, this release shall be in force and effect only with respect to loss or damage occurring during such time as the policies of fire, extended coverage and other insurance, maintained by the releasing party shall contain a clause, or be subject to a statutory provision to the effect that such release shall not affect said policies or the right of the releasing party to recover thereunder. Landlord and Tenant each agree that their respective fire, extended coverage, and other insurance policies will include such a clause so long as the same is obtainable.

14. Assignment And Subletting.

14.1 Landlord's Approval. Except as expressly provided herein, Tenant shall not assign this Lease, nor sublease all or any part of the Premises, nor permit the use of the Premises by any party other than Tenant, nor mortgage or pledge its rights hereunder, without the prior written approval of Landlord in its sole discretion on each occasion.

14.2 Criteria. Tenant recognizes that the identity of each tenant of the Home Town Shopping Center and the nature of the business to be conducted by each tenant is of material importance to the Landlord and to maintaining the character of the Home Town Shopping Center. Accordingly, except as expressly provided herein Landlord reserves complete discretion in consenting to any subletting of the Premises, assignment of this Lease, or any change of the use of the Premises. If Landlord considers a request for subletting, assignment, Landlord, in determining whether or not to grant its consent shall be entitled to consider all criteria including, but not limited to, the following: (i) whether or not the proposed subtenant or assignee is engaged in a business which will be in a manner which, is in keeping with the then character and nature of all other tenancies in the Building, (ii) the use to be made of the Premises by the proposed subtenant or assignee does not conflict with any so-called "exclusive" use then in favor of any other tenant of the Home Town Shopping Center, applicable law, or the image Landlord desires for the Building, (iii) that the proposed subtenant or assignee is a reputable party of

financial worth and stability at least equal to that of Tenant and does not impose a greater load upon the Premises and the Home Town Shopping Center then imposed by Tenant, (iv) that the sublease or assignment agreement requires payment of the rent and other amounts as required of Tenant hereunder with respect to the space being subleased or assigned which are in no event less than that being offered by Landlord in the Building, (v) the proposed assignee or sublessee is not a prospective direct tenant of Landlord, and (vi) Tenant is not in default hereunder at the time it makes its request for such consent or at the time the assignment or sublet or change is to take effect. Landlord may impose any conditions it deems appropriate in connecting with granting its approval to the requested assignment or sublease. If Landlord consents and such assignments or sublease provides for a rental greater than the rent reserved herein with respect to the sublet premises, or portion thereof, the Rent herein will be increased during the period of the sublease such that Tenant will pay to Landlord a sum equal to 100% of the amount by which the rent and other charges of such sublease exceeds the Rent hereunder for the subleased Premises. Tenant shall within ten (10) days of written demand pay Landlord's reasonable costs and expenses (including reasonable attorneys fees and costs) in connection with any proposed assignment or sublease, regardless of whether the consent is given.

14.3 Recapture. In the event Tenant proposes to sublet all or a portion of the Premises or assign this Lease in a circumstance requiring Landlord's approval, Tenant shall give written notice thereof to Landlord and Landlord shall have the right, within thirty (30) days from receipt of such notice to reject, by written notice to Tenant, the proposed subletting or assignment. Landlord shall have the right to give written notice within thirty (30) days to Tenant of its intention to recapture the space proposed to be assigned or subleased, in lieu of approving the proposed sublease or assignment. In the event that this Lease is thereby terminated for and with respect to a portion of the Premises, the Rent and other charges payable shall be reduced proportionately as of the date of such recapture.

14.4 Approved Subleases and Assignments. No approval to any assignment or sublease shall constitute a further waiver of the provisions of this section, and all subsequent assignments or subleases may be made only with the prior written approval of Landlord. An assignee or subtenant of Tenant, at the option of Landlord, shall become directly liable to Landlord for all obligations of Tenant hereunder. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder. Any assignment or sublease without Landlord's approval shall be void, and shall, at the option of the Landlord, constitute a default under this Lease. Notwithstanding the foregoing, Tenant may, upon prior notice to Landlord, assign, transfer or sublet the Premises to a parent, subsidiary or affiliated company, or in connection with a merger, a consolidation, or a sale of all or substantially all of the assets constituting all or a portion of the retail chain of which the Premises is part in the Commonwealth of Massachusetts.

15. Liens. Tenant shall keep the Premises and the Property free from any liens arising out of any work performed, materials ordered or obligations incurred by or on behalf of Tenant. Tenant shall exonerate, defend, indemnify and hold Landlord, its agents, employees, independent contractors, officers, directors, partners, and shareholders harmless from any liability, cost or expense for such liens. Tenant shall cause any such lien imposed to be released or recorded by payment or posting of the proper bond acceptable to Landlord within ten (10) days after the

earlier of imposition of the lien or written request by Landlord. Tenant shall give Landlord written notice of Tenant's intention to perform work on the Premises which might result in any claim of lien, at least ten (10) days prior to the commencement of such work to enable Landlord to post and record a Notice of Nonresponsibility or other notice deemed proper before commencement of any such work. If Tenant fails to remove any lien within the prescribed ten (10) day period, then Landlord may do so at Tenant's expense and Tenant's reimbursement to Landlord for such amount shall be deemed Additional Rent. Such reimbursement shall include all sums disbursed, incurred or deposited by Landlord, including Landlord's costs, expenses and reasonable attorneys' fees with interest thereon at the maximum rate of interest permitted by law.

16. Default.

16.1 Tenant's Default. A default under this Lease by Tenant shall exist if any of the following occurs:

16.1.1 If Tenant fails to pay Rent, Additional Rent or any other sum required to be paid hereunder within fifteen (15) days after written notice that the same is due; or

16.1.2 If Tenant fails to perform any "material" term, covenant or condition of this Lease (for purposes of this section, "material" means any provision relating to the Tenant's maintenance, repair or operations at the Premises and Tenant's insurance obligations hereunder but not relating to the payment of money), and Tenant fails to cure such breach within thirty (30) days after written notice from Landlord where such breach could reasonably be cured within such thirty (30) day period; provided, however, that where such failure could not reasonably be cured within the thirty (30) day period, that Tenant shall not be in default if it commences such performance within the thirty (30) day period and diligently thereafter prosecutes the same to completion (provided that Tenant shall not have more than forty-five (45) days in the aggregate after notice to cure). If Tenant fails to perform any other term, covenant or condition of this Lease (other than the payment of money), then Tenant shall have thirty (30) days after written notice to cure the same provided, however, that where such failure could not reasonably be cured within the thirty (30) day period, Tenant shall not be in default if it commences such performance within the thirty (30) day period and diligently thereafter prosecutes the same to completion (provided that Tenant shall not have more than sixty (60) days in the aggregate after notice to cure); or

16.1.3 If Tenant liquidates or dissolves, or assigns a substantial portion of its assets for the benefit of its creditors; or

16.1.4 If the sequestration or attachment of or execution on any material part of Tenant's personal property occurs, and Tenant fails to obtain a return or release of such personal property within thirty (30) days thereafter, or prior to sale pursuant to such sequestration, attachment or levy, whichever is earlier; or

16.1.5 If Tenant fails to continuously or uninterruptedly conduct its business in the Premises, or shall have abandoned or vacated the Premises; or

16.1.6 If Tenant files or has filed against it an action seeking to adjudge Tenant to be insolvent, or files or has filed against it a petition seeking protection under any bankruptcy, reorganization, adjustment of debts or relief from creditors of Tenant, or directing the winding up or liquidation of Tenant, and such decree or order shall in the case of an involuntary petition have continued for a period of thirty (30) days; or

16.1.7 The chronic delinquency by Tenant in the payment of monthly Rent, or any other periodic payments required to be paid by Tenant under this Lease, shall constitute a default. "Chronic delinquency" shall mean failure by Tenant to pay Rent, or any other periodic payments required to be paid by Tenant under this Lease within ten (10) days after written notice thereof for any three (3) months (consecutive or nonconsecutive) during any twelve (12) month period. After an event of "chronic delinquency", Tenant shall be deemed in default of this Lease if Tenant defaults in any payment due hereunder and such defaults continues for ten (10) days after the due date thereof, and no additional notice of default shall be required from Landlord.

16.2 Remedies. Upon a default, Landlord shall have the following remedies, in addition to all other rights and remedies provided by law or otherwise provided in this Lease, to which Landlord may resort cumulatively or in the alternative:

16.2.1 Landlord may continue this Lease in full force and effect, and this Lease shall continue in full force and effect as long as Landlord does not terminate this Lease, and Landlord shall have the right to collect Rent, Additional Rent and other charges when due.

16.2.2 Landlord may on written notice terminate Tenant's right to possession of the Premises at any time by giving written notice to that effect, and re-let the Premises or any part thereof. On the giving of the notice, all of Tenant's rights in the Premises shall terminate. Upon such termination, Tenant shall surrender and vacate the Premises, and Landlord may re-enter and take possession of the Premises and all the remaining improvements or property and eject Tenant or any of the Tenant's subtenants, assignees or other person or persons claiming any right under or through Tenant or eject some and not others or eject none. This Lease may also be terminated by a judgment specifically providing for termination. Any termination under this section shall not release Tenant from the payment of any sum then due Landlord or from any claim for damages or Rent, Additional Rent or other sum due from Tenant. Upon such termination Tenant shall be liable immediately to Landlord for all costs Landlord incurs in re-letting the Premises or any part thereof, including, without limitation, broker's commissions, reasonable attorneys fees and costs, expenses of cleaning, altering and redecorating the Premises required by the re-letting and like costs. Re-letting may be for a period shorter or longer than the remaining term of this Lease. Landlord shall, following termination hereof due to a Tenant default, utilize commercially reasonable efforts to mitigate its damages. No act by Landlord other than giving written notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to re-let the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to remove all Tenant's personal property and store same at Tenant's cost and to recover from Tenant as damages:

a. The worth at the time of award of unpaid Rent, Additional Rent and other sums due and payable which had been earned at the time of termination; plus

b. The worth at the time of award of the amount by which the unpaid Rent, Additional Rent and other sums due and payable which would have been payable after termination until the time of award exceeds the amount of such rent loss that Tenant proves could have been reasonably avoided; plus

c. The worth at the time of award of the amount by which the unpaid Rent, Additional Rent or other sums due and payable for the balance of the term after the time of award exceeds the amount of such rent loss that Tenant proves could be reasonably avoided; plus

d. Any other amount necessary to compensate Landlord for all the detriment and damage arising out of or relating to Tenant's failure to perform Tenant's obligations under this Lease, or which, in the ordinary course of things, would be likely to result therefrom, including, without limitation, any costs or expenses incurred by Landlord: (i) in retaking possession of the Premises; (ii) in maintaining, repairing, preserving, restoring, replacing, cleaning, remodeling, altering or rehabilitating the Premises or a portion thereof, including such acts for re-letting to a new tenant or tenants; (iii) for leasing commissions and associated legal fees and costs; or (iv) for any other costs necessary or appropriate to re-let the Premises; plus

e. At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the state in which the premises is located.

f. The "worth at the time of award" shall be computed by allowing interest at the maximum interest rate allowed by law on the unpaid rent and other sums from the termination date through the date of award. Tenant waives redemption or relief from forfeiture under any other present or future law, in the event Tenant is evicted, this Lease is terminated, or Landlord takes possession of the Premises by reason of any default of Tenant hereunder.

16.3 Landlord may, with or without terminating this Lease, re-enter the Premises and remove all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant. No re-entry or taking possession of the Premises by Landlord pursuant to this section shall be construed as an election to terminate this Lease unless a written notice of such intention is given to Tenant.

17. Landlord's Default. Landlord shall not be deemed to be in default hereunder unless such default shall remain uncured for more than thirty (30) days following written notice from Tenant specifying the nature of such default, or such longer period as may be reasonably required to correct such default so long as such longer period does not materially interfere with Tenant's operations at the Premises. Landlord's liability to keep, maintain, and repair shall always be limited to the cost of making such repair or accomplishing such maintenance or repair. In no event whatsoever shall Landlord be liable for consequential or any other damages. Notwithstanding anything to the contrary contained herein, so long as Tenant shall be in default

under any term or provision of this Lease, Tenant shall not be entitled to enforce any obligation from Landlord or seek any cure of Landlord's defaults under this Lease. Tenant's obligations to pay Rent, Additional Rent, and other sums required hereunder is and shall be independent of Landlord's obligations hereunder, and Tenant shall have no right of termination, set-off, self-help or otherwise (at law or in equity) except as expressly stated in this Lease.

18. Subordination. This Lease is and shall automatically be and remain subordinate to the lien of any present or future mortgages secured by the Property, and any ground lease and any present or future mortgage of such ground lease of the Property, irrespective of the time of execution or time of recording of any such mortgage or mortgages, or ground lease, and to all renewals, extensions, modifications, amendments, replacements, and refinancings thereof. Tenant will, upon ten (10) days' written request from Landlord or any present or future holders of a mortgage on all or a portion of the Property or any interest therein (any such mortgagee and their successors and assigns being a "Lender"), or the fee owner, ground lessor, or any mortgagee thereof (any such owner, ground lessor or similar party and their successors and assigns being a "Ground Lessor"), execute, acknowledge, and deliver any instruments in the nature of subordination, nondisturbance and attornment agreements, and/or other reasonably appropriate agreements (in any event, "Subordination/Attornment Instrument(s)") in a form deemed reasonably necessary or desirable by Landlord, or reasonably requested by Lender or Ground Lessor, to give effect to, or notice of, such subordination and to include Tenant's agreement to attorn to and recognize such Lender or Ground Lessor, provided such Lender or Ground Lessor agrees in writing that Tenant's rights under this Lease will continue and Tenant's possession of the Premises will not be disturbed so long as Tenant is not in default hereunder. Tenant agrees that no Lender or Ground Lessor shall be: (i) bound by any payment of an installment of Rent or made more than 30 days before the due date of such installment; (ii) liable for any previous act or omission of Landlord (or its predecessors in interest); (iii) responsible for any monies owing by the Landlord to the Tenant, or subject to any credits, offsets, claims, counterclaims, demands or defenses which the Tenant may have or claim against the Landlord (or any of their predecessors in interest); (iv) bound by any covenant to undertake or complete any construction of the Premises or any portion thereof; or (v) obligated to make any payment to Tenant other than any security deposit actually delivered to Lender or Ground Lessor or such successor in interest.

18.1 Lease Superior at Mortgagee's or Ground Lessor's Election. Upon the written notice of any Lender or Ground Lessor, this Lease shall be deemed superior to such mortgage, or ground lease, whether this Lease was executed before or after such mortgage, or ground lease, and Tenant shall execute such documents in recordable form as such mortgagee, or ground lessor, shall request to evidence and confirm such priority.

18.2 Notice to Mortgagee. Tenant will send any Lender or Ground Lessor copies of all notices of default or termination, or both, given by Tenant to Landlord in accordance with any provision of this Lease. In the event of any failure by Landlord to perform, fulfill or observe any agreement of the Landlord herein, any such Lender or Ground Lessor may at its election cure such failure or breach for and on behalf of Landlord, to the extent such breach is subject to cure, within twenty (20) business days after the time period provided herein for Landlord to cure the

same or such longer period as may be reasonably necessary to cure the default provided it has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure), and such action shall cure any such default by Landlord as if fully and timely performed by Landlord. No Lender or Ground Lessor shall be obligated to cure any Landlord breach which cannot be cured (including any Landlord bankruptcy), and upon completion of foreclosure or other proceedings to enforce their rights in and to the Property all such breaches by Landlord shall be deemed fully cured as to Lender or any Ground Lessor provided (i) Lender or Ground Lessor commences to enforce its rights within the (20) business days after the time period provided herein for Landlord to cure the same, and (ii) no such cure shall waive or release Landlord with respect to such breach.

19. Surrender Of Possession. Upon expiration or termination of this Lease, Tenant shall promptly and peacefully surrender the Premises to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, neat and clean, reasonable use and wear and tear and damage by casualty not caused by Tenant, eminent domain taking, damage caused by Landlord excepted, all to the reasonable satisfaction of Landlord. If the Premises are not surrendered in accordance with the terms of this Lease, Tenant shall indemnify Landlord and its agents, employees, independent contractors, officers, directors, partners, and shareholders against any loss or liability including reasonable attorneys' fees and costs, and including liability to succeeding tenants, resulting from delay by Tenant in so surrendering the Premises. This indemnification shall survive termination of this Lease for any reason. Tenant shall remove all of its movable property and trade fixtures which can be removed without damage to the Premises at the termination of this Lease, either by expiration of the term or other cause, and shall pay Landlord any damages for injury to the Premises or resulting from such removal. If Tenant fails to remove any of its property from the Premises at the termination of this Lease or when Landlord has the right of re-entry following Tenant's default, Landlord may enter the Premises and remove and store such property without liability for loss thereof or damage thereto, such storage to be for the account and at the expense of Tenant. If Tenant shall not pay the cost of storing any such property after it has been stored for a period of thirty (30) days or more, Landlord may, at its option, sell, or permit to be sold, any or all such property at public or private sale, in such manner and at such times and places as Landlord, in its sole discretion, may deem proper, without notice to Tenant, and shall apply the proceeds of such sale: first, to the cost and expense of such sale, including reasonable attorneys' and other fees and costs actually incurred; second, to the payment of the costs or charges for storing any such property; third, to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and fourth, the balance, if any, to Tenant.

20. Holdover. If Tenant shall, without the prior written consent of Landlord, hold over after the expiration or termination of this Lease, such shall not be deemed to create any tenancy but shall instead be an occupancy at sufferance which may be terminated on thirty (30) days written notice. The terms herein shall apply to such occupancy except Tenant agrees to pay to Landlord, each month, the greater of the fair market rental value for the Premises or one hundred fifty percent (150%) of the Rent and Additional Rent payable by Tenant for the last month of the term

of this Lease, and in addition, if Landlord has advised Tenant of such damages in writing, Tenant shall be liable to Landlord for any damages arising out of or relating to such holding over.

21. Condemnation. If twenty (20%) percent or more of the Premises or of such portions of the Home Town Shopping Center as may be required for the reasonable use of the Premises, are taken by condemnation, eminent domain or sale (or other conveyance) under threat of condemnation or eminent domain, Landlord may terminate this Lease as of the date title vests in the condemning authority, and all Rent, Additional Rent, and other payments shall be paid to that date. If less than twenty (20%) of the Premises or such portions of the Home Town Shopping Center are taken, this Lease will continue. Landlord will restore the Premises or portion of the Home Town Shopping Center to a condition, to the extent practical, substantially the same as prior to the taking up to the amount of the available proceeds therefrom. Landlord reserves the right to control all actions relating to such taking. Rent shall abate proportionally from the date title vests in the condemning authority proportionally in the ratio which Tenant's use of the Premises has been impaired.

If for less than thirty (30) days so much of the Premises is taken that Tenant reasonably and in good faith determines that it cannot operate therein, Tenant may during such period close its store, and if Tenant closes its store under these circumstances, Tenant's obligation to operate and pay all Base Rent and Additional Rent shall abate until the date the taking ends.

Except as otherwise set forth herein, Landlord reserves all rights to damages to the Premises for any taking by eminent domain, and Tenant hereby assigns to Landlord any right Tenant may have to claim such damages or award. Tenant shall make no claim against Landlord or the condemning authority for damages for termination of the leasehold interest or interference with Tenant's business. Tenant shall have the right at its sole expense to claim in a separate proceeding and recover from the condemning authority compensation for any loss which Tenant may incur for Tenant's moving expenses, and taking of Tenant's trade fixtures, equipment and other personal property (not including Tenant's leasehold interest) so long as the same does not reduce Landlord's award.

22. Brokers. Landlord and Tenant represent and warrant to the other that neither it nor its officers or agents nor anyone acting on its behalf has dealt with any real estate broker in the negotiating or making of this Lease except for Patrick Paladino Jr. of Meredith & Grew, Landlord's broker ("Landlord's Broker"). Landlord will pay a commission to Landlord's Broker pursuant to a separate written agreement. Each of Landlord and Tenant agrees to defend, exonerate, indemnify and hold the other, its agents, employees, partners, trustees, beneficiaries, directors, shareholders and independent contractors harmless from and against all liabilities, costs, demands, judgments, settlements, claims, and losses, including reasonable attorneys fees and costs, incurred in connection with any claim or claims of any other broker or brokers claiming through such party.

23. Landlord's Liability. Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not for the purpose of binding Landlord personally or the assets of Landlord but are made and intended

to bind only the Landlord's interest in the Premises and Property and rents and revenues derived therefrom, as the same may, from time to time, be encumbered. No personal liability beyond such interest shall at any time be asserted or enforceable against Landlord or its stockholders, officers, partners, or beneficiaries, or their respective heirs, legal representatives, successors and assigns on account of the Lease or on account of any covenant, undertaking or agreement of Landlord in this Lease. No party signing this Lease on behalf of Landlord in a representative capacity shall have any personally liability arising out of such execution. In the event of any transfer(s) of Landlord's interest in the Property, other than a transfer for security purposes only, the transferor shall be automatically relieved of any and all obligations and liabilities on the part of Landlord accruing from and after the date of such transfer, and Tenant agrees to attorn to the transferee. Tenant will execute and deliver within five (5) days any documents or instruments requested by Landlord to confirm such release or liability and acceptance of the transferee.

24. Estoppel Certificates. Each party shall, from time to time, within ten (10) days of written request, execute, acknowledge and deliver to the other or its designee a written statement stating: the date the Lease was executed, the Commencement Date, the Rent Commencement Date, and the expiration date; the date Tenant entered occupancy of the Premises; that this Lease is in full force and effect has not been assigned, modified, supplemented or amended in any way (or specifying the date and terms of any agreement so affecting this Lease); that this Lease represents the entire agreement between the parties; that all conditions under this Lease to be performed by the Tenant and the Landlord have been satisfied (or specifying any such conditions that have not been satisfied); that all required contributions on account of any improvements required to be constructed have been received (or specified); that on such date there are no known existing breaches, defaults, or defenses or offsets against the enforcement of this Lease; no Rent has been paid more than one (1) month in advance; that all required Rent, Additional Rent or other sums due hereunder from Tenant to Landlord have been paid (or specifying such Rent, Additional Rent or other charges that have not been paid); or any other matters evidencing the status of the Lease, as may be reasonably requested. Any such statement may be relied upon by a prospective purchaser of Landlord's or Tenant's interest or a mortgagee of Landlord's interest or assignee of any mortgage upon Landlord's interest in the Home Town Shopping Center or other similar third parties. If Tenant fails to respond within ten (10) days of receipt by Tenant of a written request by Landlord as herein provided, Tenant shall be deemed to have given such certificate as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied by Landlord to a prospective purchaser or mortgagee.

25. Financial Statements. Within five (5) days after Landlord's request, Tenant shall deliver to Landlord the current audited financial statements of Tenant, and financial statement of the two (2) years prior to the current financial statements year, with an opinion of a certified public accountant, including a balance sheet and profit and loss statement for the most recent prior year, all prepared in accordance with generally accepted accounting principles consistently applied. All such information shall be deemed confidential and shall be treated as such, provided that Landlord may submit copies of the same to any Ground Lessor, Lender or prospective Lender, or their attorneys and advisors. If any present or future Lender shall request any additional

financial information reasonably available to Tenant not specified herein, Tenant shall promptly after written request provide copies of the same.

26. Right To Perform.

26.1 Landlord. If Tenant shall fail to pay any sum of money, other than Rent and Additional Rent, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for thirty (30) days after written notice to Tenant, or if such default cannot be reasonably cured within thirty (30) days, unless Tenant begins such cure within thirty (30) days, and diligently pursues continuously to cure such default over a period not to exceed forty-five (45) days, Landlord may, but shall not be obligated so to do, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease. Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the nonpayment of sums due under this section as in the case of default by Tenant in the payment of Rent. All sums paid by Landlord and all penalties, interest and costs in connection therewith, shall be due and payable by Tenant on the next day after such payment by Landlord, together with interest thereon at the maximum rate of interest permitted by law from such date to the date of payment.

26.2 Tenant's Right to Perform. Except as expressly set forth in Section 5.2, if Landlord shall fail to pay any sum of money required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for thirty (30) days after written notice to Landlord (or such longer period as expressly otherwise provided in this Lease), or if such default cannot be reasonably cured within thirty (30) days (or such longer period), unless Landlord begins such cure within thirty (30) days (or such longer period), and diligently pursues continuously to cure such default over a period not to exceed forty-five (45) days (or such longer period as expressly otherwise provided in this Lease), Tenant may, but shall not be obligated so to do, and without waiving or releasing Landlord from any obligations of Landlord, make any such payment or perform any such other act on Landlord's part to be made or performed as provided in this Lease. All reasonable sums paid by Tenant and all penalties, interest and costs in connection therewith, shall be due and payable by Landlord within thirty (30) days after written notice (with copies of back-up invoices), together with interest thereon at the Interest Rate permitted hereunder from such date to the date of payment. If Tenant performs for Landlord under this Section 26.2 and Landlord pays Tenant as required herein, then such action by Tenant shall be in lieu of any other remedies to which Tenant may otherwise be entitled.

27. No Access To Roof. Tenant shall have no right of access to the roof of the Premises or any part of the Home Town Shopping Center. Landlord reserves all rights to the roof. Tenant shall not install, repair or replace any aerial, antenna, fan, air conditioner antenna, or other device on the roof of the Home Town Shopping Center without the prior written approval of Landlord in Landlord's sole discretion. Any device installed with such written approval shall be maintained by Tenant in good condition. Tenant shall also be responsible for reimbursing

Landlord for any repairs and restoration to the roof of Home Town Shopping Center resulting from the installation or removal of such items on the roof.

28. Security. Tenant acknowledges that Landlord has not assumed and makes no representations regarding security for the Home Town Shopping Center nor for any of the employees or invitees of any tenant. Tenant shall occupy the Premises at its sole risk, regardless of any security activities or precautions by Landlord. Tenant hereby agrees to the exercise by Landlord and its agents and employees, within their sole discretion, of such security measures as Landlord may determine to implement from time to time, including but not limited to, the search of all persons entering or leaving the Home Town Shopping Center, the evacuation of the Home Town Shopping Center for cause, suspected cause or for drill purposes, the denial of any access to the Home Town Shopping Center and other similarly related actions that it deems necessary to prevent any threat of property damage or bodily injury. The exercise of such security measures by Landlord, its beneficiaries and their agents and employees, and the resulting interruption of service and cessation of Tenant's business, if any, shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises, or any part thereof, or render Landlord, its beneficiaries and their agents and employees, liable to Tenant for any resulting damages or relieve Tenant from Tenant's obligations under this Lease or create any liability for Landlord for discontinuance or failure to maintain such measures.

29. Authority Of Tenant. If Tenant is a corporation or partnership, each individual executing this Lease on behalf of said corporation or partnership represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation or partnership, and that this Lease is binding upon said corporation or partnership.

30. No Accord Or Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent and other sums due hereunder shall be deemed to be other than on account of the earliest rent or other sums due, nor shall any endorsement or statement on any check or accompanying any check or payment be deemed an accord and satisfaction; and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or other sum and to pursue any other remedy provided in this Lease.

31. Modifications For Lender. If in connection with any financing for the Property or any portion thereof, Landlord's present or future Lender shall request reasonable modifications to this Lease, Tenant shall not unreasonably withhold, delay, or defer its consent to such modification provided such modifications do not materially adversely affect Tenant's rights hereunder.

32. General Provisions.

32.1 Acceptance. This Lease shall only become effective and binding upon full execution hereof by Landlord and delivery of a signed copy to Tenant. Employees or agents of Landlord and Tenant have no authority to make or agree to make a lease or any other agreement or undertaking in connection herewith. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises,

and this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant and delivery to the other.

32.2 Joint Obligation. If there be more than one Tenant, the obligations hereunder imposed shall be joint and several.

32.3 Late Charges and Interest. If any Rent, Additional Rent or other sum due from Tenant is not received by Landlord or Landlord's designated agent within five (5) days of the date when due, then Tenant shall pay to Landlord a late charge equal to (i) five (5%) percent of such overdue amount upon the first such occurrence during any twelve (12) month period, and (ii) ten percent (10%) of such overdue amount upon each subsequent occurrence, plus in any event any attorneys' fees and costs incurred by Landlord by reason of Tenant's failure to pay Rent and other charges when due hereunder. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of Tenant's late payment. Landlord's acceptance of such late charges shall not constitute a waiver of Tenant's default with respect to such overdue amount or stop Landlord from exercising any of the other rights and remedies granted hereunder. In addition, interest shall at the option of Landlord accrue on any unpaid amounts due from Tenant hereunder at the lesser of 18% and the maximum amount allowed by law, commencing from the date due until paid in full.

32.4 Non-Waiver. Waiver by either party of any breach of any term, covenant or condition herein contained shall not be effective unless in writing signed by the party to be charged, and any such waiver shall not be deemed to be a waiver of any other term, covenant, or condition(s), or any subsequent breach of the same or any other term, covenant or condition of this Lease.

32.5 Notices. All notices and demands which may be required or permitted to be given to either party hereunder shall be in writing, and shall be sent by United States mail, return receipt requested, or by in-hand delivery, by telecopier (with a copy sent by United States mail, return receipt requested), or by Federal Express (or other similar receipted overnight delivery service) postage prepaid to the addresses set out in the Summary of Basic Terms and to such other person or place as each party may from time to time designate in a written notice to other. Notice shall be deemed given upon the earlier of actual receipt if delivered by hand; three (3) business days after deposit in the United States mail, postage prepaid, return receipt requested; next business day if sent by telecopier (receipt confirmed) and United States mail as provided herein; or next business day if sent by overnight courier.

32.6 Costs And Attorneys' Fees. Landlord will, if it is the prevailing party in any action arising out of or relating to this Lease or its execution, recover its reasonable attorneys' fees and costs, at trial and on appeal.

32.7 Marginal Headings, Etc. The marginal headings and titles to the articles of this Lease are not a part of the Lease and shall have no effect upon the construction or interpretation of any part hereof.

32.8 Choice of Law. This Lease shall be governed by and construed in accordance with the internal laws of the State in which the Premises are located, excluding its choice of law and conflicts of laws provisions.

32.9 Successors and Assigns. The covenants and conditions herein contained, subject to the provisions as to assignment, inure to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

32.10 Recordation. Neither Landlord nor Tenant shall record this Lease, but a short-form memorandum or notice hereof may be recorded at the request of Landlord or Tenant. In the event that Tenant chooses to record a short form memorandum or notice, Tenant agrees to execute and deliver in recordable form, a release to be held by Landlord until termination of this Lease.

32.11 Quiet Possession. Upon Tenant's paying timely Rent and observing and performing timely all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the term hereof from anyone claiming by or through Landlord, subject to all the provisions of this Lease.

32.12 Inability to Perform. In the event the performance of any act to be performed hereunder by either party (except Tenant's obligation to make payments) is delayed for Excusable Delay, the time for performance shall be extended for a period of time equivalent to the period of such delay or delays; provided, however, that the time for performance shall in no event be extended due to financial or economic problems of either party.

32.13 Partial Invalidity. If any provision of this Lease shall prove to be invalid, void, or illegal, then such provision shall be modified to the extent necessary to make the same enforceable. The invalidity of any provision herein shall in no way affect, impair or invalidate any other provision hereof and such other provision(s) shall remain in full force and effect.

32.14 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall be cumulative with all other remedies at law or in equity.

32.15 Entire Agreement; Construction. This Lease contains the entire agreement of the parties hereto. This Agreement supersedes all statements, representations, warranties and covenants, written or oral of any nature. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein. There are no representations, inducements, promises or agreements, oral or otherwise, between the parties, not embodied herein, shall be of any force or effect. The parties have both contributed to the language used herein and both shall be deemed drafters. The parties waive any rule of construction that any terms herein be construed more harshly against either party as drafter. All exhibits and addenda attached hereto are incorporated herein by this reference. Where a provision herein specifies time periods for certain notices or actions, time shall be of the essence with respect to each such provision. The terms herein may be modified or altered only by

written agreement between Landlord and Tenant, and no act or omission of any employee or agent of Landlord or Tenant shall alter, change or modify any of the provisions hereof.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease, in multiple copies, under seal on the day and year first above written.

TENANT:

Convertibles, Inc.

By: _____

Edward B. Seidner

Title: Executive Vice President

LANDLORD:

SSSG REALTY TRUST

By: Roberta Sydney

Roberta Sydney, Trustee and not individually

Treasurer

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease, in multiple copies, under seal on the day and year first above written.

TENANT:

Jennifer Convertibles, Inc.

By: 

Edward B. Seidner

Title: Executive Vice President

LANDLORD:

SSSG REALTY TRUST

By: _____

Roberta Sydney, Trustee and not
individually

Treasurer

BMC Group, Inc

October 01, 2010

Attn: Jennifer Convertibles Claims Processing

PO Box 3020

Chanhassen, MN 55317-3020

RE: Proof of Claim Jennifer Convertibles Natick, Inc (10-13788)

Dear BMC Group Inc,

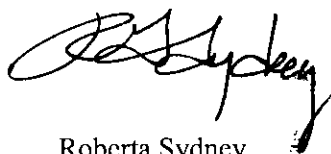
In response to Jennifer Convertibles, Inc's bankruptcy claim, we have attached the following supporting documentation to this letter for your review:

- Proof of Claim form
- Copy of Lease for Jennifer Convertibles Natick, Inc (10-13788)
- Invoices outlining missing payments
- A/R schedule
- Self-addressed stamped envelope

We are claiming for rent and other payments that are owed under the current written lease. We are also requesting that once BMC Group, Inc receives these documents, to please return a copy of the filed proof of claim form in our enclosed envelope.

Please let me know if you need any more information or have any questions.

Very truly yours,



Roberta Sydney