

EXHIBIT A

STORE LEASE

AGREEMENT OF LEASE, made as of this 1st day of April, 2008, between RESTFUL FURNITURE CORPORATION, with an address at 30 West Jericho Turnpike, Huntington Station, New York 11746, party of the first part (hereinafter referred to as "Owner"), and HARTSDALE CONVERTIBLES, INC., with an address at 419 Crossways Park Drive, Woodbury, New York 11797 party of the second part (hereinafter referred to as "Tenant").

WITNESSETH:

Owner hereby leases to Tenant and Tenant hereby hires from Owner the Land (+/- 3.73 acres) and Building (+/- 21,000 square feet) known as 700 Sunrise Highway, Bayport, New York 11705 (Section 219.0, Block 02.00, Lot 001.001) in the County of Suffolk, for the term of ten years and three months (or until such term shall sooner cease and expire as hereinafter provided) to commence on the first day of April, 2008, and to end on the thirtieth day of June, 2018, both dates inclusive, at a monthly rental rate as set forth in the Rider annexed hereto, which Tenant agrees to pay in lawful money of the United States which shall be legal tender in payment of all debts and dues, public and private, at the time of payment, in equal monthly installments in advance on the first day of each month during said term, at the office of Owner or such other place as Owner may designate, without any set off or deduction whatsoever, except that Tenant shall pay Owner on the execution hereof:

- (a) \$68,662.00 representing the Fixed Rent due (after rent concessions) through July 31, 2008.
- (b) \$28,066.66 representing the second half real estate taxes due and payable as of May 31, 2008 with respect to the demised premises for the period June 15, 2008 through November 30, 2008.

The parties hereto, for themselves, their heirs, distributees, executors, administrators, legal representatives, successors and assigns, hereby covenant as follows:

Rent:

1. Tenant shall pay the rent as above and as hereinafter provided.

Occupancy:

2. Tenant shall use and occupy demised premises for retail furniture store and for no other purpose. Tenant shall at all times conduct its business in a high grade and reputable manner, shall not violate Article 37 hereof, and shall keep show windows and signs in a neat and clean condition.

Alterations:

3. Tenant shall make no structural changes in or to the demised premises of any nature without Owner's prior written consent. Subject to the prior written consent of Owner, and to the provisions of this article, Tenant, at Tenant's expense, may make alterations, installations, additions or improvements which are non-structural and which do not affect utility services or plumbing and electrical lines, in or to the interior of the demised premises by using contractors or mechanics first approved by Owner. Tenant shall, before making any alterations, additions, installations or improvements, at its expense, obtain all permits, approvals and certificates required by any governmental or quasi-governmental bodies and (upon completion) certificates of final approval thereof and shall deliver promptly duplicates of all such permits, approvals and certificates to Owner and Tenant agrees to carry and will cause Tenant's contractors and sub-contractors to carry such workman's compensation, general liability, personal and property damage insurance as Owner may require. If any mechanics' lien is filed against the demised premises, or the building of which the same forms a part, for work claimed to have done for, or materials furnished to, Tenant, whether or not done pursuant to this article, the same shall be discharged by Tenant within thirty (30) days thereafter, at Tenant's expense, by filing the bond required by law. All fixtures and all paneling, partitions, railings and like installations, installed

in the premises at any time, either by Tenant or by Owner in Tenant's behalf, shall, upon installation, become the property of Owner and shall remain upon and be surrendered with the demised premises unless Owner, by notice to Tenant no later than twenty days prior to the date fixed as the termination of this lease, elects to relinquish Owner's rights thereto and to have them removed by Tenant, in which event, the same shall be removed from the premises by Tenant prior to the expiration of the lease, at Tenant's expense. Nothing in this article shall be construed to give Owner title to, or to prevent Tenant's removal of, trade fixtures, moveable office furniture and equipment, but upon removal of any such items from the premises or upon removal of other installations as may be required by Owner, Tenant shall immediately and at its expense, repair and restore the premises to the condition existing prior to installation and repair any damage to the demised premises or the building due to such removal. All property permitted or required to be removed by Tenant at the end of the term, remaining in the premises after Tenant's removal, shall be deemed abandoned and may, at the election of Owner, either be retained as Owner's property or removed from the premises by Owner at Tenant's expense.

Repairs:

4. Owner shall maintain and repair the public portions of the building, both exterior and interior, except that if Owner allows Tenant to erect on the outside of the building a sign or signs, or a hoist, lift or sidewalk elevator for the exclusive use of Tenant, Tenant shall maintain such exterior installations in good appearance and shall cause the same to be operated in a good and workmanlike manner and shall make all repairs thereto necessary to keep same in good order and condition, at Tenant's own cost and expense, and shall cause the same to be covered by the insurance provided for hereafter in Article 8. Tenant shall, throughout the term of this lease, take good care of the demised premises and the fixtures and appurtenances herein, and the sidewalks adjacent thereto, and at its sole cost and expense, make all non-structural repairs thereto as and when needed to preserve them in good working order and condition, reasonable wear and tear, obsolescence and damage from the elements, fire or other casualty, excepted. If the demised premises are or become infested with vermin, Tenant shall, at Tenant's expense, cause the same to be exterminated from time to time to the satisfaction of Owner. Except as specifically provided in Article 9 or elsewhere in this lease, there shall be no allowance to the Tenant for the diminution of rental value and no liability on the part of Owner by reason of inconvenience, annoyance or injury to business arising from Owner, Tenant or others making or failing to make any repairs, alterations, additions or improvements in or to any portion of the building or the demised premises or in and to the fixtures, appurtenances or equipment thereof. The provisions of this Article 4, with respect to the making of repairs, shall not apply in the case of fire or other casualty which are dealt with in Article 9 hereof.

Window Cleaning:

5. Tenant will not clean nor require, permit, suffer or allow any window in the demised premises to be cleaned from the outside in violation of Section 202 of the New York State Labor Law or any other applicable law or of the Rules of the Board of Standards and Appeals, or of any other Board or body having or asserting jurisdiction.

Requirements of Law, Fire Insurance:

6. Prior to the commencement of the lease term, if Tenant is then in possession, and at all time thereafter, Tenant, at Tenant's sole cost and expense, shall promptly comply with all present and future laws, orders and regulations of all state, federal, municipal and local governments, departments, commissions and boards and any direction of any public officer pursuant to law, and all orders, rules and regulations of the New York Board of Fire Underwriters or the Insurance Services Office, or any similar body which shall impose any violation, order or duty upon Owner or Tenant with respect to the demised premises, and with respect to the portion of the sidewalk adjacent to the premises, if the premises are on the street level, whether or not arising out of Tenant's use or manner of use thereof, or with respect to the building if arising out of Tenant's use or manner of use of the premises or the building (including the use permitted under the lease). Except as provided in Article 29 hereof, nothing herein shall require Tenant to make structural repairs or alterations unless Tenant has by its manner of use of the demised premises or method of operation therein, violated any such laws, ordinances, orders, rules, regulations or requirements with respect thereto. Tenant shall not do or permit any act or thing to be done in or to the demised premises which is contrary to law, or which will invalidate or be in conflict with public liability, fire or other policies of insurance at any time carried by or for the

benefit of Owner. Tenant shall pay all costs, expenses, fines, penalties or damages, which may be imposed upon Owner by reason of Tenant's failure to comply with the provisions of this article. If the fire insurance rate shall, at the beginning of the lease or at any time thereafter, be higher than it otherwise would be, then Tenant shall reimburse Owner, as additional rent hereunder, for that portion of all fire insurance premiums thereafter paid by Owner which shall have been charged because of such failure by Tenant to comply with the terms of this article. In any action or proceeding wherein Owner and Tenant are parties, a schedule or "make-up" of rate for the building or demised premises issued by a body making fire insurance rates applicable to said premises shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate then applicable to said premises.

Subordination:

7. This lease is subject and subordinate to all ground or underlying leases and to all mortgages which may now or hereafter affect such leases or the real property of which demised premises are a part and to all renewals, modifications, consolidations, replacements and extensions of any such underlying leases and mortgages. This clause shall be self-operative and no further instrument of subordination shall be required by any ground or underlying lease or by any mortgagee, affecting any lease or the real property of which the demised premises are a part. In confirmation of such subordination, Tenant shall execute promptly any certificate that Owner may request.

Tenant's Liability Insurance for Property Loss, Damage, Indemnity:

8. Owner or its agents shall not be liable for any damage to property of Tenant or of others entrusted to employees of the building, nor for loss of or damage to any property of Tenant by theft or otherwise, nor for any injury or damage to persons or property resulting from any cause whatsoever, unless caused by or due to the negligence of Owner, its agents, servants or employees. Owner or its agents will not be liable for any such damage caused by other tenants or persons in, upon or about said building or caused by operations in construction of any private, public or quasi-public work. Tenant agrees, at Tenant's sole cost and expense, to maintain general public liability insurance in standard form in favor of Owner and Tenant against claims for bodily injury or death or property damage occurring in or upon the demised premises, effective from the date Tenant enters into possession and during the term of this lease. Such insurance shall be in an amount and with carriers acceptable to the Owner. Such policy or policies shall be delivered to the Owner. On Tenant's default in obtaining or delivering any such policy or policies or failure to pay the charges therefor, Owner may secure or pay the charges for any such policy or policies and charge the Tenant as additional rent therefor. Tenant shall indemnify and save harmless Owner against and from all liabilities, obligations, damages, penalties, claims, costs and expenses for which Owner shall not be reimbursed by insurance, including reasonable attorneys' fees, paid, suffered or incurred as a result of any breach by Tenant, Tenant's agents, contractors, employees, invitees, or licensees, of any covenant on condition of this lease, or the carelessness, negligence or improper conduct of the Tenant, Tenant's agents, contractors, employees, invitees or licensees. Tenant's liability under this lease extends to the acts and omissions of any subtenant, and any agent, contractor, employee, invitee or licensee of any subtenant. In case any action or proceeding is brought against Owner by reason of any such claim, Tenant, upon written notice from Owner, will, at Tenant's expense, resist or defend such action or proceeding by Counsel approved by Owner in writing, such approval not to be unreasonably withheld.

Destruction, Fire and Other Casualty:

9. (a) If the demised premises or any part thereof shall be damaged by fire or other casualty, Tenant shall give immediate notice thereof to Owner and this lease shall continue in full force and effect except as hereinafter set forth. (b) If the demised premises are partially damaged or rendered partially unusable by fire or other casualty, the damages thereto shall be repaired by and at the expense of Owner and the rent, until such repair shall be substantially completed, shall be apportioned from the day following the casualty according to the part of the premises which is usable. (c) If the demised premises are totally damaged or rendered wholly unusable by fire or other casualty, then the rent shall be proportionately paid up to the time of the casualty and thenceforth shall cease until the date when the premises shall have been repaired and restored by Owner, subject to Owner's right to elect not to restore the same as hereinafter provided. (d) If the demised premises are rendered wholly unusable or (whether or not the

demised premises are damaged in whole or in part) if the building shall be so damaged that Owner shall decide to demolish it or to rebuild it, then, in any of such events, Owner may elect to terminate this lease by written notice to Tenant given within 90 days after such fire or casualty, specifying a date for the expiration of the lease, which date shall not be more than 60 days after the giving of such notice, and upon the date specified in such notice, the term of this lease shall expire as fully and completely as if such date were the date set forth above for the termination of this lease and Tenant shall forthwith quit, surrender and vacate the premises without prejudice, however, to Owner's rights and remedies against Tenant under the lease provisions in effect prior to such termination, and any rent owing shall be paid up to such date and any payments of rent made by Tenant which were on account of any period subsequent to such date shall be returned to Tenant. Unless Owner shall serve a termination notice as provided for herein, Owner shall make the repairs and restorations under the conditions of (b) and (c) hereof, with all reasonable expedition, subject to delays due to adjustment of insurance claims, labor troubles and causes beyond Owner's control. After any such casualty, Tenant shall cooperate with Owner's restoration by removing from the premises as promptly as is reasonably possible, all of Tenant's salvageable inventory and movable equipment, furniture, and other property. Tenant's liability for rent shall resume five (5) days after written notice from Owner that the premises are substantially ready for Tenant's occupancy. (e) Nothing contained hereinabove shall relieve Tenant from liability that may exist as a result of damage from fire or other casualty. Notwithstanding the foregoing, each party shall look first to any insurance in its favor before making any claim against the other party for recovery for loss or damage resulting from fire or other casualty, and to the extent that such insurance is in force and collectible and to the extent permitted by law, Owner and Tenant each hereby releases and waives all right of recovery against the other or any one claiming through or under each of them by way of subrogation or otherwise. The foregoing release and waiver shall be in force only if both releasors' insurance policies contain a clause providing that such a release or waiver shall not invalidate the insurance and also provided that such a policy can be obtained without additional premiums. Tenant acknowledges that Owner will not carry insurance on Tenant's furniture and/or furnishings or any fixtures or equipment, improvements, or appurtenances removable by Tenant and agrees that Owner will not be obligated to repair any damage thereto or replace the same. (f) Tenant hereby waives the provisions of Section 227 of the Real Property Law and agrees that the provisions of this Article shall govern and control in lieu thereof.

Eminent Domain:

10. If the whole or any part of the demised premises shall be acquired or condemned by Eminent Domain for any public or quasi-public use or purpose, then and in that event, the term of this lease shall cease and terminate from the date of title vesting in such proceeding and Tenant shall have no claim for the value of any unexpired term of said lease.

Assignment, Mortgage, Etc.:

11. Tenant, for itself, its heirs, distributees, executors, administrators, legal representatives, successors and assigns expressly covenants that it shall not assign, mortgage or encumber this agreement, nor underlet, or suffer or permit the demised premises or any part thereof to be used by others, without the prior written consent of Owner in each instance. If this lease be assigned, or if the demised premises or any part thereof be underlet or occupied by anybody other than Tenant, Owner may, after default by Tenant, collect rent from the assignee, undertenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, underletting, occupancy or collection shall be deemed a waiver of the covenant, or the acceptance of the assignee, undertenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. The consent by Owner to an assignment or underletting shall not in any wise be construed to relieve Tenant from obtaining the express consent in writing of Owner to any further assignment or underletting.

Electric Current:

12. Rates and conditions in respect to submetering or rent inclusion, as the case may be, are to be added in RIDER attached hereto. Tenant covenants and agrees that at all times its use of electric current shall not exceed the capacity of existing feeders to the building or the risers or wiring installation and Tenant may not use any electrical equipment which, in Owner's opinion, reasonably exercised, will overload such installations or interfere with the use thereof by other

tenants of the building. The change at any time of the character of electric service shall in no wise make Owner liable or responsible to Tenant, for any loss, damages or expenses which Tenant may sustain.

Access to Premises:

13. Owner or Owner's agents shall have the right (but shall not be obligated) to enter the demised premises in any emergency at any time, and at other reasonable times, to examine the same and to make such repairs, replacements and improvements as Owner may deem necessary and reasonably desirable to any portion of the building or which Owner may elect to perform in the premises, following Tenant's failure to make repairs or perform any work which Tenant is obligated to perform under this lease, or for the purpose of complying with laws, regulations and other directions of governmental authorities. Tenant shall permit Owner to use and maintain and replace pipes and conduits in and through the demised premises and to erect new pipes and conduits therein, provided they are within the walls, and Owner may, during the progress of any work in the demised premises, take all necessary materials and equipment into said premises without the same constituting an eviction, nor shall the Tenant be entitled to any abatement of rent while such work is in progress nor to any damages by reason of loss or interruption of business or otherwise. Throughout the term hereof Owner shall have the right to enter the demised premises at reasonable hours for the purpose of showing the same to prospective purchasers or mortgagees of the building, and during the last six months of the term for the purpose of showing the same to prospective tenants and may, during said six months period, place upon the premises the usual notice "To Let" and "For Sale" which notices Tenant shall permit to remain thereon without molestation. If Tenant is not present to open and permit an entry into the premises, Owner or Owner's agents may enter the same whenever such entry may be necessary or permissible, by master key or forcibly, and provided reasonable care is exercised to safeguard Tenant's property and such entry shall not render Owner or its agents liable therefor, nor in any event shall the obligations of Tenant hereunder be affected. If during the last month of the term Tenant shall have removed all or substantially all of Tenant's property therefrom, Owner may immediately enter, alter, renovate or redecorate the demised premises without limitation or abatement of rent, or incurring liability to Tenant for any compensation and such act shall have no effect on this lease or Tenant's obligations hereunder.

Vault, Vault Space, Area:

14. No vaults, vault space or area, whether or not enclosed or covered, not within the property line of the building, is leased hereunder, anything contained in or indicated on any sketch, blue print or plan, or anything contained elsewhere in this lease to the contrary notwithstanding. Owner makes no representation as to the location of the property line of the building. All vaults and vault space and all such areas not within the property line of the building, which Tenant may be permitted to use and/or occupy, is to be used and/or occupied under a revocable license, and if any such license be revoked, or if the amount of such space or area be diminished or required by any federal, state or municipal authority or public utility, Owner shall not be subject to any liability nor shall Tenant be entitled to any compensation or diminution or abatement of rent, nor shall such revocation, diminution or requisition be deemed constructive or actual eviction. Any tax, fee or charge of municipal authorities for such vault or area shall be paid by Tenant.

Occupancy:

15. Tenant will not at any time use or occupy the demised premises in violation of Articles 2 or 37 hereof, or of the certificate of occupancy issued for the building of which the demised premises are a part. Tenant has inspected the premises and accepts them as is, subject to the riders annexed hereto with respect to Owner's work, if any. In any event, Owner makes no representation as to the condition of the premises and Tenant agrees to accept the same subject to violations, whether or not of record.

Bankruptcy:

16. (a) Anything elsewhere in this lease to the contrary notwithstanding, this lease may be canceled by Landlord by the sending of a written notice to Tenant within a reasonable time after the happening of any one or more of the following events: (1) the commencement of a case in bankruptcy or under the laws of any state naming Tenant as the debtor; or (2) the making by Tenant of an assignment or any other arrangement for the benefit of creditors under any state statute. Neither Tenant nor any person claiming through or under Tenant, or by reason of any statute or order of court, shall thereafter be entitled to possession of the premises demised but shall forthwith quit and surrender the premises. If this lease shall be assigned in accordance with its terms, the provisions of this Article 16 shall be applicable only to the party then owning Tenant's interest in this lease.

(b) It is stipulated and agreed that in the event of the termination of this lease pursuant to (a) hereof, Owner shall forthwith, notwithstanding any other provisions of this lease to the contrary, be entitled to recover from Tenant, as and for liquidated damages, an amount equal to the difference between the rent reserved hereunder for the unexpired portion of the term demised and the fair and reasonable rental value of the demised premises for the same period. In the computation of such damages, the difference between any installment of rent becoming due hereunder after the date of termination and the fair and reasonable rental value of the demised premises for the period for which such installment was payable shall be discounted to the date of termination at the rate of four percent (4%) per annum. If such premises or any part thereof be re-let by the Owner for the unexpired term of said lease, or any part thereof, before presentation of proof of such liquidated damages to any court, commission or tribunal, the amount of rent reserved upon such re-letting shall be deemed to be the fair and reasonable rental value for the part or the whole of the premises so re-let during the term of the re-letting. Nothing herein contained shall limit or prejudice the right of the Owner to prove for and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to, or less than the amount of the difference referred to above.

Default:

17. (1) If Tenant defaults in fulfilling any of the covenants of this lease other than the covenants for the payment of rent or additional rent, or if the demised premises become vacant or deserted, or if any execution or attachment shall be issued against Tenant or any of Tenant's property, whereupon the demised premises shall be taken or occupied by someone other than Tenant, or if this lease is rejected under Section 365 of Title II of the U.S. Code (Bankruptcy Code), or if Tenant shall fail to move into or take possession of the premises within fifteen (15) days after the commencement of the term of this lease, of which fact Owner shall be the sole judge, then, in any one or more of such events, upon Owner serving a written thirty (30) days' notice upon Tenant specifying the nature of said default and upon the expiration of said thirty (30) days, if Tenant shall have failed to comply with or remedy such default, or if the said default or omission complained of shall be of a nature that the same cannot be completely cured or remedied within said thirty (30) day period, and if Tenant shall not have diligently commenced curing such default within such thirty (30) day period, and shall not thereafter with reasonable diligence and in good faith proceed to remedy or cure such default, then Owner may serve a written ten (10) days' notice of cancellation of this lease upon Tenant, and upon the expiration of said ten (10) days, this lease and the term thereunder shall end and expire as fully and completely as if the expiration of such ten (10) day period were the day herein definitely fixed for the end and expiration of this lease and the term thereof and Tenant shall then quit and surrender the demised premises to Owner but Tenant shall remain liable as hereinafter provided.

(2) If the notice provided for in (1) hereof shall have been given, and the term shall expire as aforesaid, or if Tenant shall make default in the payment of the rent reserved herein or any item of additional rent herein mentioned or any part of either or in making any other payment herein required, then and in any of such events, Owner may, without notice, re-enter the demised premises either by force or otherwise, and dispossess Tenant, by summary proceedings or otherwise, and the legal representative of Tenant or other occupant of demised premises, and remove their effects and hold the premises as if this lease had not been made, and Tenant hereby waives the service of notice of intention to re-enter or to institute legal proceedings to that end.

Remedies of Owner and Waiver of Redemption:

18. In case of any such default, re-entry, expiration and/or dispossession by summary proceedings or otherwise, (a) the rent, and additional rent, shall become due thereupon and be paid up to the time of such re-entry, dispossession and/or expiration. (b) Owner may re-let the premises or any part or parts thereof, either in the name of Owner or otherwise, for a term or terms, which may at Owner's option be less than or exceed the period which would otherwise have constituted the balance of the term of this lease and may grant concessions or free rent or charge a higher rental than that in this lease, and/or (c) Tenant or the legal representatives of Tenant shall also pay Owner as liquidated damages, for the failure of Tenant to observe and perform said Tenant's covenants herein contained, any deficiency between the rent hereby reserved and/or covenanted to be paid and the net amount, if any, of the rents collected on account of the subsequent lease or leases of the demised premises for each month of the period which would otherwise have constituted the balance of the term of this lease. The failure of Owner to re-let the premises or any part or parts thereof shall not release or affect Tenant's liability for damages. In computing such liquidated damages, there shall be added to the said deficiency such expenses as Owner may incur in connection with re-letting, such as legal expenses, attorneys' fees, brokerage fees, advertising expenses and money spent in keeping the demised premises in good order or preparing the same for re-letting. Any such liquidated damages shall be paid in monthly installments by Tenant on the rent day specified in this lease. Owner, in putting the demised premises in good order or preparing the same for re-rental may, at Owner's option, make such alterations, repairs, replacements, and/or decorations in the demised premises as Owner, in Owner's sole judgment, considers advisable and necessary for the purpose of re-letting the demised premises, and the making of such alterations, repairs, replacements, and/or decorations shall not operate or be construed to release Tenant from liability. Owner shall in no event be liable in any way whatsoever for failure to re-let the demised premises, or in the event that the demised premises are re-let, for failure to collect the rent thereof under such re-letting, and in no event shall Tenant be entitled to receive any excess, if any, of such net rent collected over the sums payable by Tenant to Owner hereunder. In the event of a breach or threatened breach by Tenant of any of the covenants or provisions hereof, Owner shall have the right of injunction and the right to invoke any remedy allowed at law or in equity as if re-entry, summary proceedings and other remedies were not herein provided for. Mention in this lease of any particular remedy, shall not preclude Owner from any other remedy, in law or in equity. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws.

Fees and Expenses:

19. If Tenant shall default in the observance or performance of any term or covenant on Tenant's part to be observed or performed under or by virtue of any of the terms or provisions in any article of this lease, then, unless otherwise provided elsewhere in this lease, Owner may immediately or at any time thereafter and without notice perform the obligation of Tenant thereunder, and if Owner, in connection therewith or in connection with any default by Tenant in the covenant to pay rent hereunder, makes any expenditures or incurs any obligations for the payment of money, including but not limited to reasonable attorneys' fees, in instituting, prosecuting or defending any actions or proceeding, such sums so paid or obligations incurred with interest and costs shall be deemed to be additional rent hereunder and shall be paid by Tenant to Owner within five (5) days of rendition of any bill or statement to Tenant therefor, and if Tenant's lease term shall have expired at the time of making such expenditures or incurring such obligations, such sums shall be recoverable by Owner as damages.

No Representation by Owner:

20. Neither Owner nor Owner's agents have made any representations or promises with respect to the physical condition of the building, the land upon which it is erected or the demised premises, the rents, leases, expenses of operation, or any other matter or thing affecting or related to the premises, except as herein expressly set forth, and no rights, easements or licenses are acquired by Tenant by implication or otherwise except as expressly set forth in the provisions of this lease. Tenant has inspected the building and the demised premises and is thoroughly acquainted with their condition, and agrees to take the same "as is" and acknowledges that the taking of possession of the demised premises by Tenant shall be conclusive evidence that the said premises and the building of which the same form a part were in good and satisfactory

condition at the time such possession was so taken, except as to latent defects. All understandings and agreements heretofore made between the parties hereto are merged in this contract, which alone fully and completely expresses the agreement between Owner and Tenant and any executory agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of it in whole or in part, unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification, discharge or abandonment is sought.

End of Term:

21. Upon the expiration or other termination of the term of this lease, Tenant shall quit and surrender to Owner the demised premises, broom clean, in good order and condition, ordinary wear excepted, and Tenant shall remove all its property. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of this lease. If the last day of the term of this lease or any renewal thereof, falls on Sunday, this lease shall expire at noon on the preceding Saturday unless it be a legal holiday in which case it shall expire at noon on the preceding business day.

Quiet Enjoyment:

22. Owner covenants and agrees with Tenant that upon Tenant paying the rent and additional rent and observing and performing all the terms, covenants and conditions, on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the premises hereby demised, subject, nevertheless, to the terms and conditions of this lease including, but not limited to, Article 33 hereof and to the ground leases, underlying leases and mortgages hereinbefore mentioned.

Failure to Give Possession:

23. If Owner is unable to give possession of the demised premises on the date of the commencement of the term hereof, because of the holding-over or retention of possession of any tenant, undertenant or occupants, or if the premises are located in a building being constructed, because such building has not been sufficiently completed to make the premises ready for occupancy or because of the fact that a certificate of occupancy has not been procured or for any other reason, Owner shall not be subject to any liability for failure to give possession on said date and the validity of the lease shall not be impaired under such circumstances, nor shall the same be construed in any wise to extend the term of this lease, but the rent payable hereunder shall be abated (provided Tenant is not responsible for the inability to obtain possession) until after Owner shall have given Tenant written notice that the premises are substantially ready for Tenant's occupancy. If permission is given to Tenant to enter into the possession of the demised premises or to occupy premises other than the demised premises prior to the date specified as the commencement of the term of this lease, Tenant covenants and agrees that such occupancy shall be deemed to be under all the terms, covenants, conditions and provisions of this lease, except as to the covenant to pay rent. The provisions of this article are intended to constitute "an express provision to the contrary" within the meaning of Section 223-a of the New York Real Property Law.

No Waiver:

24. The failure of Owner to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this lease or of any of the Rules or Regulations set forth or hereafter adopted by Owner, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation. The receipt by Owner of rent with knowledge of the breach of any covenant of this lease shall not be deemed a waiver of such breach and no provision of this lease shall be deemed to have been waived by Owner unless such waiver be in writing signed by Owner. No payment by Tenant or receipt by Owner of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement of any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Owner may accept such check or payment without prejudice to Owner's right to recover the balance of such rent or pursue any other remedy in this lease provided. No act or thing done by Owner or Owner's agents during the term hereby demised shall be deemed in acceptance of a surrender of said premises and no agreement to accept such surrender shall be valid unless in writing signed by Owner. No employee of Owner or Owner's agent shall have

any power to accept the keys of said premises prior to the termination of the lease and the delivery of keys to any such agent or employee shall not operate as a termination of the lease or a surrender of the premises.

Waiver of Trial by Jury:

25. It is mutually agreed by and between Owner and Tenant that the respective parties hereto shall and hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other (except for personal injury or property damage) on any matters whatsoever arising out of or in any way connected with this lease, the relationship of Owner and Tenant, Tenant's use of or occupancy of said premises, and any emergency statutory or any other statutory remedy. It is further mutually agreed that in the event Owner commences any summary proceeding for possession of the premises, Tenant will not interpose any counterclaim of any nature or description in any such proceeding.

Inability to Perform:

26. This lease and the obligation of Tenant to pay rent hereunder and perform all of the other covenants and agreements hereunder on part of Tenant to be performed shall in no wise be affected, impaired or excused because Owner is unable to fulfill any of its obligations under this lease or to supply or is delayed in supplying any service expressed or implied to be supplied or is unable to make, or is delayed in making any repair, additions, alterations or decorations or is unable to supply or is delayed in supplying any equipment or fixtures, if Owner is prevented or delayed from so doing by reason of strike or labor troubles, government preemption in connection with a National Emergency or by reason of any rule, order or regulation of any department or subdivision thereof of any government agency or by reason of the conditions of supply and demand which have been or are affected by war or other emergency, or when, in the judgment of Owner, temporary interruption of such services is necessary by reason of accident, mechanical breakdown, or to make repairs, alterations or improvements.

Bills and Notices:

27. Except as otherwise in this lease provided, a bill, statement, notice or communication which Owner may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if, in writing, delivered to Tenant personally or sent by registered or certified mail addressed to Tenant at the building of which the demised premises form a part or at the last known residence address or business address of Tenant or left at any of the aforesaid premises, ~~addressed to Tenant, and the time of the rendition of such bill or statement and of the giving of~~ such notice or communication shall be deemed to be the time when the same is delivered to Tenant, mailed, or left at the premises as herein provided. Any notice by Tenant to Owner must be served by registered or certified mail addressed to Owner at the address first hereinabove given or at such other address as Owner shall designate by written notice.

Water Charges:

28. If Tenant requires, uses or consumes water for any purpose, in addition to ordinary lavatory purposes (of which fact Tenant constitutes Owner to be the sole judge), Owner may install a water meter and thereby measure Tenant's water consumption for all purposes. Tenant shall pay Owner for the cost of the meter and the cost of the installation thereof and throughout the duration of Tenant's occupancy Tenant shall keep said meter and installation equipment in good working order and repair at Tenant's own cost and expense. Tenant agrees to pay for water consumed, as shown on said meter as and when bills are rendered. Tenant covenants and agrees to pay the sewer rent, charge or any other tax, rent, levy or charge which now or hereafter is assessed or imposed or any lien upon the demised premises or the realty of which they are part, pursuant to law, order or regulation made or issued in connection with the use, consumption, maintenance or supply of water, water system or sewage or sewage connection or system. The bill rendered by Owner shall be payable by Tenant as additional rent. If the building or the demised premises or any part thereof is supplied with water through a meter through which water is also supplied to other premises, Tenant shall pay to Owner as additional rent, on the first day of each month, N/A, as Tenant's portion. Independently of and in addition to any of the remedies reserved to Owner hereinabove or elsewhere in this lease, owner may sue for and collect any monies to be paid by Tenant or paid by Owner for any of the reasons or purposes hereinabove set forth.

Sprinklers:

29. Anything elsewhere in this lease to the contrary notwithstanding, if the New York Board of Fire Underwriters or the Insurance Services Office or any bureau, department or official of the federal, state or city government require or recommend the installation of a sprinkler system or that any changes, modifications, alterations, or additional sprinkler heads or other equipment be made or supplied in an existing sprinkler system by reason of Tenant's business, or the location of partitions, trade fixtures, or other contents of the demised premises, or for any other reason, or if any such sprinkler system installations, changes, modifications, alterations, additional sprinkler heads or other such equipment, become necessary to prevent the imposition of a penalty or charge against the full allowance for a sprinkler system in the fire insurance rate set by any said Exchange or by any fire insurance company, Tenant shall, at Tenant's expense, promptly make such sprinkler system installations, changes, modifications, alterations, and supply additional sprinkler heads or other equipment as required, whether the work involved shall be structural or nonstructural in nature. Tenant shall pay to Owner as additional rent the sum of \$0.00, on the first day of each month during the term of this lease, as Tenant's portion of the contract price for sprinkler supervisory service.

Heat, Cleaning:

30. As long as Tenant is not in default under any of the covenants of this lease, Owner shall, if and insofar as existing facilities permit, furnish heat to the demised premises, when and as required by law, on business days from 8:00 a.m. to 6:00 p.m. and on Saturdays from 8:00 a.m. to 1:00 p.m. Tenant shall at Tenant's expense keep demised premises clean and in order, to the satisfaction of Owner, and if demised premises are situated on the street floor, Tenant shall, at Tenant's own expense, make all repairs and replacements to the sidewalks and curbs adjacent thereto, and keep said sidewalks and curbs free from snow, ice, dirt and rubbish. Tenant shall pay to Owner the cost of removal of any of Tenant's refuse and rubbish from the building. Bills for the same shall be rendered by Owner to Tenant at such times as Owner may elect and shall be due and payable when rendered, and the amount of such bills shall be deemed to be, and be paid as, additional rent. Tenant shall, however, have the option of independently contracting for the removal of such rubbish and refuse in the event that Tenant does not wish to have same done by employees of Owner. Under such circumstances, however, the removal of such refuse and rubbish by others shall be subject to such rules and regulations as, in the judgment of Owner, are necessary for the proper operation of the building.

Security:

31. Tenant has deposited with Owner the sum of \$0.00 as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this lease; it is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this lease, including, but not limited to, the payment of rent and additional rent, Owner may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any rent and additional rent or any other sum as to which Tenant is in default or for any sum which Owner may expend or may be required to expend by reason of Tenant's default in respect of any of the terms, covenants and conditions of this lease, including but not limited to, any damages or deficiency in the re-letting of the premises, whether such damages or deficiency accrued before or after summary proceedings or other re-entry by Owner. In the event that Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this lease, the security shall be returned to Tenant after the date fixed as the end of the Lease and after delivery of entire possession of the demised premises to Owner. In the event of a sale of the land and building or leasing of the building, of which the demised premises form a part, Owner shall have the right to transfer the security to the vendee or lessee and Owner shall thereupon be released by Tenant from all liability for the return of such security, and Tenant agrees to look to the new Owner solely for the return of said security; and it is agreed that the provisions hereof shall apply to every transfer or assignment made of the security to a new Owner. Tenant further covenants that it will not assign or encumber or attempt to assign or encumber the monies deposited herein as security and that neither Owner nor its successors or assigns shall be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

Captions:

32. The Captions are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this lease nor the intent of any provision thereof.

Definitions:

33. The term "Owner" as used in this lease means only the Owner, or the mortgagee in possession, for the time being, of the land and building (or the Owner of a lease of the building or of the land and building) of which the demised premises form a part, so that in the event of any sale or sales of said land and building or of said lease, or in the event of a lease of said building, or of the land and building, the said Owner shall be and hereby is entirely freed and relieved of all covenants and obligations of Owner hereunder, and it shall be deemed and construed without further agreement between the parties or their successors in interest, or between the parties and the purchaser, at any such sale, or the said lessee of the building, or of the land and building, that the purchaser or the lessee of the building has assumed and agreed to carry out any and all covenants and obligations of Owner hereunder. The words "re-enter" and "re-entry" as used in this lease are not restricted to their technical legal meaning. The term "business days" as used in this lease shall exclude Saturdays (except such portion thereof as is covered by specific hours in Article 30 hereof), Sundays and all days designated as holidays by the applicable building service union employees service contract or by the applicable Operating Engineers contract with respect to HVAC service.

Adjacent Excavation--Shoring:

34. If an excavation shall be made upon land adjacent to the demised premises, or shall be authorized to be made, Tenant shall afford to the person causing or authorized to cause such excavation, license to enter upon the demised premises for the purpose of doing such work as said person shall deem necessary to preserve the wall, or the building of which demised premises form a part, from injury or damage and to support the same by proper foundations without any claim for damages or indemnity against Owner, or diminution or abatement of rent.

Rules and Regulations:

35. [Intentionally Omitted].

Glass:

36. [See Rider].

Pornographic Uses Prohibited:

37. Tenant agrees that the value of the demised premises and the reputation of the Owner will be seriously injured if the premises are used for any obscene or pornographic purposes or any sort of commercial sex establishment. Tenant agrees that Tenant will not bring or permit any obscene or pornographic material on the premises, and shall not permit or conduct any obscene, nude, or semi-nude live performances on the premises, nor permit use of the premises for nude modeling, rap sessions, or as a so-called rubber goods shops, or as a sex club of any sort, or as a "massage parlor." Tenant agrees further that Tenant will not permit any of these uses by any sublessee or assignee of the premises. This Article shall directly bind any successors in interest to the Tenant. Tenant agrees that if at any time Tenant violates any of the provisions of this Article, such violation shall be deemed a breach of a substantial obligation of the terms of this lease and objectionable conduct. Pornographic material is defined for purposes of this Article as any written or pictorial matter with prurient appeal or any objects of instrument that are primarily concerned with lewd or prurient sexual activity. Obscene material is defined here as it is in Penal Law §§ 235.00.

Estoppel Certificate:

38. Tenant, at any time, and from time to time (but not more than three times in any twelve month period), upon at least 10 days' prior notice by Owner, shall execute, acknowledge and deliver to Owner, and/or to any other person, firm or corporation specified by Owner, a statement certifying that this lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications), stating the dates which the rent and additional rent have been paid, and stating whether or not there exists any defaults by Owner under this lease, and, if so, specifying each such default.

{00372649.DOC;3}

Successors and Assigns:

39. The covenants, conditions and agreements contained in this lease shall bind and inure to the benefit of Owner and Tenant and their respective heirs, distributees, executors, administrators, successors, and except as otherwise provided in this lease, their assigns.

See Rider attached hereto and made a part hereof

IN WITNESS WHEREOF, Owner and Tenant have respectively signed and sealed this lease as of the day and year first above written.

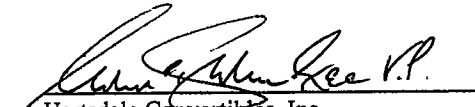
Witness for Owner:




Restful Furniture Corporation
By: Irwin J. Horowitz, President

Witness for Tenant:




Hartsdale Convertibles, Inc.
By: Edward B. Seidner,
Executive Vice President

ACKNOWLEDGMENTS

State of New York
County of New York

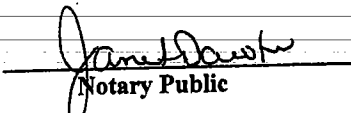
On this 10 day of March, 2008, before me personally came Irwin Horwitz, to me known, who being by me duly sworn, did depose and say that he resides in 44 Pinnacle Drive, Port Jefferson, New York 11777, that he is the President of RESTFUL FURNITURE CORPORATION, the corporation described in, and which executed, the foregoing instrument, as Owner; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors and said corporation, and that he signed his name thereto by like order.


Notary Public

MARSHALL J. GLUCK
Notary Public, State of New York
No. 6546700
Qualified in New York County
Commission Expires September 30, 2010

State of New York
County of Nassau

On this 7 day of March, 2008, before me personally came Edward B. Seidner, to me known, who being by me duly sworn, did depose and say that he resides in Jordan; that he is the Executive Vice President of HARTSDALE CONVERTIBLES, INC., the corporation described in and which executed the foregoing instrument, as Tenant; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.


Notary Public

JANET DAWBER
Notary Public, State Of New York
No. 01DA6083157
Qualified in Nassau County
Commission Expires November 12, 2010

RIDER TO LEASE

OWNER: Restful Furniture Corporation
TENANT: Hartsdale Convertible, Inc.
DEMISED PREMISES: 700 Sunrise Highway, Bayport, New York 11705
DATED: April 1, 2008

40. Conflict of Provisions. The provisions of this Rider supplement and modify the provisions of the printed form of Lease. If there is any conflict between the provisions of the Rider and the printed form of Lease, the Rider provisions shall govern.

41. Fixed Rent. Tenant covenants and agrees to pay to Owner, without notice or demand, at the office of Owner, a fixed rental (the "Fixed Rent") for the term of this lease, to be paid as follows:

<u>Period</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
4/1/08 – 6/30/08	\$22,888.66	<u>\$ Rent Concession</u>
7/1/08 – 6/30/09	\$549,328.00	\$45,777.33
7/1/09 – 6/30/10	\$565,807.84	\$47,150.65
7/1/10 – 6/30/11	\$582,782.08	\$48,565.17
7/1/11 – 6/30/12	\$600,265.54	\$50,022.13
7/1/12 – 6/30/13	\$618,273.50	\$51,522.79
7/1/13 – 6/30/14	\$636,821.71	\$53,068.48
7/1/14 – 6/30/15	\$655,926.36	\$54,660.53
7/1/15 – 6/30/16	\$675,604.15	\$56,300.35
7/1/16 – 6/30/17	\$695,872.28	\$57,989.36
7/1/17 – 6/30/18	\$716,748.44	\$59,729.04

42. Additional Rent.

(a) All charges, sums and amounts other than Fixed Rent required to be paid by Tenant pursuant to this Lease shall be deemed additional rent ("Additional Rent"), whether or not the same be designated as such, and shall be due and payable within ten (10) days after demand (or such earlier or later time as may be elsewhere specifically provided in this Lease). Owner shall have all rights and remedies provided for in this Lease or by law upon Tenant's failure to pay any Additional Rent as for the non-payment of Fixed Rent.

(b) If any of the Fixed Rent or Additional Rent payable under the terms and provisions of this Lease shall be or become uncollectible, reduced or required to be refunded because of any act or law enacted by a governmental authority, Tenant shall enter into such agreement(s) and take such other steps (without additional expense to Tenant) as Owner may request and as may be legally permissible to permit Owner to collect the maximum rents which, from time to time during the continuance of such legal rent restriction, may be legally permissible (but not in excess of the amounts reserved therefor under this Lease). Upon the termination of such legal rent restriction, (i) the Fixed Rent and/or Additional Rent shall become and thereafter be payable in accordance with the amounts reserved herein for the periods following such termination, and (ii) Tenant shall pay to Owner promptly upon being billed, to the maximum extent legally permissible, an amount equal to (x) the Fixed Rent and/or Additional Rent which would have been paid pursuant to this Lease but for such legal rent restriction less (y) the rents paid by Tenant during the period such legal restriction was in effect.

43. Tenant's Payments. No payment by Tenant or receipt by Owner of a lesser amount than the Fixed Rent or Additional Rent reserved herein shall be deemed to be other than on account of the earliest stipulated Fixed Rent or Additional Rent. No endorsement or statement on any check or any letter accompanying any check or payment shall be deemed an accord and satisfaction and Owner in either instance may accept such check or payment without prejudice to Owner's right to recover the balance of such Fixed Rent or Additional Rent due hereunder to Owner pursuant to the provisions of Article 18 of the printed form of this Lease or operate as a waiver of any breach by Tenant or as a release of Tenant from its obligations hereunder.

44. Interest on Late Rent Payments; Late Payment Charge. Fixed Rent and Additional Rent is due on the first of each month, but shall not be deemed late if late received on or before the

tenth of each month. If any Fixed Rent, Additional Rent or other monies owing by Tenant under this Lease are paid more than ten (10) days after the date such monies are due pursuant to the provisions of this Lease, Tenant shall pay to Owner (i) interest on the amount due computed from the date due until the date paid, at the maximum rate permitted by law, and such interest shall be deemed Additional Rent and (ii) the sum of \$100 for the month in which the payment was late, and an additional sum of \$50 per month for each month thereafter that the amount due remains unpaid, to cover the administrative costs to Owner in connection with such late payment, and not as a penalty, until such Fixed Rent or Additional Rent is paid. It is expressly acknowledged and agreed that nothing in this Article shall be deemed or construed as permitting or allowing any payment of Fixed Rent or Additional Rent at a time other than when the same shall be required pursuant to the provisions of this Lease. The acceptance of the late charge referred to in this Article shall not in any manner preclude Owner from enforcing any of its rights contained elsewhere in this Lease.

(a) Payments Returned By Bank. If Tenant shall make any payments due under this Lease by ordinary check, and any three (3) checks during any consecutive twelve (12) month period shall be returned for insufficient funds, uncollected funds, or the account being closed, then Owner shall not be obligated to accept any payment from or on behalf of Tenant other than by certified check or official bank check.

(b) Habitual Defaults By Tenant. If Tenant shall default (i) in the timely payment of Fixed Rent or Additional Rent after its due date (beyond any applicable grace, notice or cure period), and any such default shall continue or be repeated for three (3) consecutive months or five (5) times in any consecutive twelve (12) month period or (ii) in the performance of any other material term of this Lease to be performed by Tenant more than three (3) times in any consecutive six (6) month period, then such defaults shall be deemed to be deliberate, Owner shall be entitled to demand from Tenant, and Tenant agrees promptly to deposit with Owner, additional cash security in the amount of two-twelfths of the then current Fixed Rent payable hereunder, which additional cash security shall be held and applied in accordance with the terms of Article 31 hereof, and if Tenant shall fail to do so Owner may, at its option, serve a written three days' notice of cancellation of this lease upon Tenant, and upon the expiration of said three days of this lease and the term thereunder shall end and expire as fully and completely as if the expiration of such three day period were the day herein definitely fixed for the end and expiration of this lease and the term thereof and Tenant shall then quit and surrender the demised premises to Owner, but Tenant shall remain liable as otherwise provided in this Lease.

(c) If Tenant shall default in making any payment of rent when due under this lease twice in any twelve month period and Owner in each such case shall have served upon Tenant a notice of petition and petition in a nonpayment summary dispossess proceeding, then even though such defaults may have been cured prior to the entry of a judgment against Tenant in such proceedings, Owner shall be entitled to demand from Tenant, and Tenant agrees promptly to deposit with Owner, additional cash security in the amount of two-twelfths of the then current Fixed Rent payable hereunder, which additional cash security shall be held and applied in accordance with the terms of Article 31 hereof, and if Tenant shall fail to do so Owner may, at its option, serve a written three days' notice of cancellation of this lease upon Tenant, and upon the expiration of said three days of this lease and the term thereunder shall end and expire as fully and completely as if the expiration of such three day period were the day herein definitely fixed for the end and expiration of this lease and the term thereof and Tenant shall then quit and surrender the demised premises to Owner, but Tenant shall remain liable as otherwise provided in this Lease.

(d) If Tenant shall be in arrears in the payment of rent when due, Tenant waives its right, if any, to designate the items in arrears against which any payments by Tenant are to be credited and Owner may apply any of such payments to any such items in arrears as Owner, in its sole discretion, shall determine, irrespective of any designation or request by Tenant as to the items against which any such payments shall be credited.

(e) If any payment of rent shall be made by or from any person, partnership corporation or entity other than Tenant, the acceptance of same by Owner shall not under any circumstances be deemed or construed to be a recognition of any subletting of the premises, or of any portion thereof, or of any assignment of this lease.

(f) Net Lease. This Lease is deemed and construed to be an absolutely net lease and Owner shall not be required to provide any services or do any act or thing with respect to the Demised Premises or the appurtenances thereto. The Fixed Rent, Additional Rent and other payments reserved or required under this Lease shall be paid to Owner absolutely net, free of any charges, assessments, impositions or deductions of any kind and without any claim on the part of Tenant for diminution, set off or abatement. Nothing shall suspend, abate or reduce the rent to be

paid hereunder, except as otherwise specifically provided in this Lease. Under no circumstances or conditions, whether now existing or hereafter arising, or whether beyond the present or future contemplation of the parties, shall Owner be expected or required to make any payment of any kind whatsoever or be under any obligation or liability under this Lease.

45. Possession and Rent Commencement Date. Notwithstanding anything contained in this Lease to the contrary, Tenant shall have the right to possession, use and occupancy of the Demised Premises on April 1, 2008, free of Fixed Rent (other than \$22,888.60) until June 30, 2008. Tenant shall be obligated to commence the payment of Fixed Rent and Additional Rent on July 1, 2008. Except for the Fixed Rent allowance as herein provided, Tenant shall use and occupy the Demised Premises pursuant to all of the other terms, covenants and conditions of this Lease.

(a) Rent Concession. Except for \$22,888.60, the Fixed Rent reserved herein for the first three months of the term of this Lease shall be waived by Owner and Tenant shall receive a rent concession for such period.

(b) Repayment of Rent Concession. Notwithstanding any provision set forth in this Lease, Owner and Tenant acknowledge that a rent concession consisting of no payment of Fixed Rent (other than \$22,888.60) for the months of April, May and June 2008 is being given in consideration of Tenant's payment of all Fixed Rent and Additional Rent due and payable under this Lease for the first forty-eight (48) months of the term of this Lease. In the event of any uncured default following notice in the payment of Fixed Rent and/or Additional Rent by Tenant for a period beyond any grace period causing a termination of this Lease on or before March 31, 2012, the full amount of the rent concession given to the Tenant shall immediately become due and payable to Owner as Additional Rent.

46. Real Estate Taxes.

(a) Owner shall pay the real estate Taxes affecting the Premises due and payable during the term, provided that all such amounts shall be prorated on a monthly basis and Tenant agrees to pay to Owner as Additional Rent on the first day of each month during the term, together with the Fixed Rent, an amount equal to the Taxes as prorated on a monthly basis. "Taxes" as used herein shall mean the aggregate of the following items: (a) real estate taxes, (b) assessments (including without limitation, assessments for public improvements or benefits whether or not commenced or completed during the term of this Lease), (c) water charges and (d) sewer rents, all of which may be assessed, levied, confirmed or imposed on or in respect of, or be a lien upon the land and the Building and (e) any tax or assessment levied, assessed or imposed against the land and Building or the rents or profits therefrom or any other charge or levy made by a taxing authority to the extent that the same shall be in lieu of all or any portion of any item set forth herein, in each case whether ordinary or extraordinary, foreseen or unforeseen, general or special, of whatever kind or nature, and also any tax or assessment levied, assessed or imposed at any time primarily on owners of real property by any governmental authority. "Taxes" shall also mean all costs and expenses, including, without limitation, counsel fees, accountant fees, consultant fees and appraisal fees incurred in connection with any filing, application, proceeding, hearing or determination for a reduction of the assessed value of the land and Building, and any document, certificate, audit, filing, report, statement or thing required as a condition precedent to such filing, application, proceeding, hearing or determination or otherwise in an attempt to reduce Taxes. The term "Taxes" shall not include the amount of interest or penalties, if any, which Owner is obligated to pay by reason of any late payment of Taxes. If any Taxes are permitted to be paid in installments, then all references in this Article to the dates on which Taxes are payable shall be deemed to refer to the dates on which the installments are payable.

(b) Owner reserves the exclusive right (but shall be under no obligation) to attempt to obtain a reduction of the assessed valuation of the land and Building and if Owner so elects, Tenant will cooperate with Owner at Tenant's sole cost and expense. If the Owner shall receive a refund of Taxes for any year during which Tenant has paid the Taxes as Additional Rent, as above provided, and provided further that Tenant is not in default under any provision of this Lease, the proceeds of such refund, less legal fees, appraisal fees, consultant fees and other expenses incurred in prosecuting the proceeding and collecting any refund, shall be applied and allocated to the periods for which the refund was obtained and appropriate adjustment shall be made between Owner and Tenant.

(c) The provisions of this Article shall apply to any increases or decreases in Taxes of any kind or nature, whether or not resulting from a change in tax rate, change in the assessed valuation of the Land and Building, or for any other reason whatsoever.

(d) In any action or proceeding involving any questions arising under the provisions of this Article, a search, certificate or receipt made or given by any officer, person or corporation legally authorized to make or give such search, certificate or receipt certifying or showing, or purporting to certify or show, that any such tax or assessment, or similar item as aforesaid, against or affecting the land and Building was due and payable at the date of the search or certificate will be prima facie evidence that such tax, assessment or similar item was due and payable or a lien upon or charge against the land and Building, as specified in any such certificate or receipt. Owner shall be protected in any action which it may take in reliance upon any such search, certificate or receipt.

(e) In any case provided in this Article in which Tenant is entitled to a refund, Owner may, in lieu of allowing such refund, credit against future installments of Fixed Rent and Additional Rent any amounts to which Tenant is entitled.

47. Utilities. Tenant shall furnish and pay for its own gas, heat, hot and cold water (and pay for such water usage according to water meter readings), electricity, cleaning of the Demised Premises and removal of waste materials (other than Hazardous Materials which are governed by Paragraph 62 below) and all other utilities used by Tenant in connection with Tenant's business and Owner shall not be obligated to furnish or pay for any such utilities or the hook-up therefor. Tenant will also maintain activation to the Central Station Fire Alarm system and either pay directly or pay to Owner, as Additional Rent, the contract fee for the fire alarm system and shall maintain the fire alarm system in good working order. Tenant will furnish and supply such mechanical equipment necessary to provide Tenant with the foregoing utility services at Tenant's sole cost and expense. Tenant agrees to maintain the plumbing and electrical systems and conduits and any other utility systems in the Demised Premises and keep them in good condition and repair during the term of this Lease, at Tenant's own cost and expense. Tenant agrees not to connect any additional equipment of any type to the electric distribution system of the Building, other than lamps, typewriters and other small office machines which consume comparable amounts of electricity, without the Owner's prior written consent, which consent shall not be unreasonably withheld. Any additional risers, feeders, or other equipment proper or necessary to supply Tenant's electrical requirements, upon written request of Tenant, will be installed by Owner, at the sole cost and expense of Tenant, if, in Owner's sole judgment, the same are necessary and will not (i) cause permanent damage or injury to the Building or the Demised Premises, (ii) cause or create a dangerous or hazardous condition, (iii) entail excessive or unreasonable alterations, repair or expense or (iv) interfere with or disturb other tenants or occupants of the Building.

48. Garbage Disposal. Tenant shall accumulate all of its garbage, rubbish and refuse (which term "refuse" as used in this Lease shall mean and include, but not be limited to, crates, boxes, containers, papers, bottles, and similar items) for disposal only within a dumpster located in the specified enclosure in the southeast corner of the parking lot of the Demised Premises and in well covered sealed sanitary plastic bags or containers designed to prevent odors and vermin of any kind from emanating therefrom. Tenant further agrees that no such garbage, rubbish or refuse shall be removed, or be permitted to be removed, from the dumpster enclosure, except directly to a truck employed by Tenant at its sole cost and expense waiting to immediately take such garbage, rubbish or refuse away. Tenant agrees to pay immediately any fines or costs Owner or Tenant is assessed because of Tenant's garbage, rubbish or refuse in the Demised Premises or on the sidewalk, curbs or Street adjacent thereto.

49. Indemnity and Liability Insurance.

(a) Indemnity Insurance. Tenant agrees to indemnify and save harmless Owner against and from any and all claims by or on behalf of any person or persons, firm or firms, corporation or corporations, arising from any work or thing whatsoever done by or on behalf of Tenant, in or about the Demised Premises. Tenant further agrees to indemnify and save Owner harmless against and from any and all claims arising from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or arising from any act or negligence of Tenant, or any of Tenant's agents, contractors, servants, employees or licensees, and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in or by reason of any such claim or action or proceeding brought thereon unless caused by any act or negligence of Owner or Owner's agents, contractors, servants, employees or licensees. In case any action or proceeding be brought against Owner by reason of any claim referred to herein, Tenant, upon notice from Owner, covenants to resist or defend, at Tenant's expense, such action or proceeding by counsel reasonably satisfactory to Owner.

(b) Liability Insurance. On or before the commencement date of the term hereof and during the term of this Lease, Tenant covenants to provide and to keep in force, for the benefit of

Owner and Tenant, a comprehensive policy of commercial general liability insurance protecting Owner and Tenant against any liability whatsoever occasioned by accident on or about the Demised Premises or any appurtenances thereto. Such policy is to be written by good and solvent insurance companies satisfactory to Owner, and the limits of liability thereunder shall not be less than the amount of two million (\$2,000,000.00) Dollars (combined single limit) for bodily injury and property damage liability per occurrence. Such insurance may be carried under a blanket policy covering the Demised Premises and other locations of Tenant, if any. On the execution of this Lease and thereafter, at least thirty (30) days prior to the expiration of any such policy, Tenant agrees to deliver to Owner either a duplicate original of the aforesaid policy, naming Owner as an additional insured, or a certificate evidencing that such insurance is in full force and effect and may not be canceled except upon thirty (30) days' notice to Owner, together with evidence of payment for the premium due for the policy. Tenant's failure to provide and keep the aforementioned insurance in force shall be regarded as a material default under the terms of this Lease, entitling Owner to exercise any or all of the remedies as provided in this Lease in the event of Tenant's default. If Tenant shall fail to make any such payment when due, or fail to carry any policy required by this Lease, Owner may, but shall not be obligated to, make such payment or carry such policy. The amount paid by Owner, with interest thereon at the highest rate permitted by law, shall be repaid to Owner on demand or, at Owner's designation, as Additional Rent on the first day of the month following the date of payment by Owner. Payment by Owner of the premium for any such policy shall not be deemed a waiver of or release the default of Tenant with respect thereto. Tenant shall deliver to Owner, on the execution of this Lease, a certificate of insurance evidencing the insurance required pursuant to this Article and naming the Owner as an additional insured, together with evidence of payment for the first annual premium. Notwithstanding anything to the contrary contained in this Lease, if at any time during the term of this Lease, the premiums for any insurance payable by Owner is increased as a result of Tenant's use and occupancy of the Demised Premises, Tenant agrees to pay Owner, as Additional Rent, the amount of any such increase.

50. Casualty Insurance. Throughout the term of this Lease (including all renewals thereof), Tenant, at Tenant's sole cost and expense, shall keep all buildings, improvements and equipment on, in and appurtenant to the demised premises whether now existing or hereafter erected thereon or therein, including all alterations, rebuilding, replacements, changes, additions and improvements, insured against loss or damage by fire or other casualty with standard "All Risk" fire and casualty insurance (and against loss or damage due to terrorism, war or nuclear action if such insurance shall be available and customarily required by institutional first mortgagees), in an amount equal to one hundred percent (100%) of the full insurable value thereof without any deduction being made for depreciation. Such insurance shall not contain a deductible in excess of \$25,000 per occurrence and shall name the Owner as the principal insured and loss payee, provided, however, that if a separate windstorm deductible is required, such deductible shall be the highest commercially reasonable amount. If there is any change in co-insurance requirements by the New York Fire Insurance Exchange or New York Board of Fire Underwriters or any similar body, or by statute, applicable to the premises, the policies furnished by Tenant shall comply with such changes. In determining the full insurable value of the premises, foundations (construction below basement level) shall be excluded unless the insurer or insurers include the same in their determination of the insurable value of the insured property.

51. Rent Insurance. Tenant, at its expense, shall also provide for the benefit of Owner and any fee mortgagee rent and business interruption insurance against loss by fire and from causes comprehended by the provisions of the then available and current extended coverage (and against loss due to war or nuclear action if such insurance shall be available and customarily required by institutional first mortgagees) in an amount not less than the annual Fixed Rent and Additional Rent. The net proceeds of such rent insurance when received by Owner, less the cost of collecting the same, including necessary reasonable attorneys' fees, to the extent available, shall be held in trust by Owner and shall be applied first to the payment of the Fixed Rent and Additional Rent then due to Owner and thereafter to the payment of the Fixed Rent and all Additional Rent as the same may become due and payable without acceleration.

52. Named Insured. All policies of insurance provided for hereunder shall name Owner as an additional insured. If and so long as any mortgage may be a lien on Owner's fee simple interest in the demised premises, if Owner so requests, the policies shall also be payable to the holder of any fee mortgage as the interest of such holder may appear, pursuant to a standard mortgage clause.

53. Form of Insurance Policies. The proceeds of such insurance shall be payable to Owner, to be held in trust by Owner subject to the other provisions of this Lease or payable to a first

The limits of such Insurance shall not limit the liability of Tenant.

mortgagee of the fee if such mortgagee so requests. The policies for such insurance shall contain a provision that the rights and interest of Owner shall not be invalidated by any act or neglect of Tenant, undertenants or occupants of the demised premises, nor by any dispossession of Tenant, undertenants or any occupant of the demised premises, nor by any changes in the title or ownership of the demised premises, nor by the occupation of the demised premises for purposes more hazardous than permitted by the policy, and that no subrogation rights of the insurer shall impair the right of Owner to recover the full amount of Owner's claim. Tenant shall procure policies for such insurance for periods of from one (1) to five (5) years, as Tenant shall elect, and shall deliver to Owner such policy or policies, with evidence of the payment of the premiums thereon, and shall procure renewals thereof from time to time at least thirty (30) days before the expiration of any similar policy then existing, and in default of such delivery Owner may procure any such insurance for such periods as Owner shall elect, and on demand Tenant shall reimburse Owner, as Additional Rent, for all outlays for such insurance with interest thereon at the then highest legal rate. All such insurance shall be in such form and shall be taken in such amounts as Owner shall reasonably approve, with insurance companies authorized to do business in the State of New York with a Bests' rating of A/VIII or more. Policies therefor shall at all times be delivered to and held by Owner or by an institutional first mortgagee of the fee if it so requests, in which event duplicates thereof shall be held by Owner. All such policies shall provide that they may not be cancelled or changed except upon thirty (30) days notice to cure and any institutional first mortgage.

54. Increase in Insurance Rate or Premium. Supplementing Article 6, Tenant shall not do or permit any act or thing to be done in or to the Demised Premises which is contrary to law, or which will invalidate or be in conflict with public liability, fire or other policies of insurance at any time carried by or for the benefit of Owner with respect to the Demised Premises or the Building, or which shall or might subject Owner to any liability or responsibility to any person or for property damage. Tenant shall not keep anything in the Demised Premises except as now or hereafter permitted by the Fire Department, Board of Fire Underwriters, Fire Insurance Rating Organization or other authority having jurisdiction or as otherwise provided in this Lease, and then only in such manner and such quantity so as not to increase the rate or premium for fire insurance applicable to the Building. Tenant shall not use or occupy the Demised Premises in a manner which will increase the insurance rate for the Building or any property located therein over that in effect prior to the commencement of Tenant's occupancy. Tenant shall pay all costs, expenses, fines, penalties, or damages, which may be imposed upon Owner by reason of Tenant's failure to comply with the provisions of this Article and if by reason of such failure the fire insurance rate shall, at the beginning of this Lease or at any time thereafter, be higher than it otherwise would be, then Tenant shall reimburse Owner, as Additional Rent, for that portion of any fire insurance premiums paid by Owner which shall have been charged because of such failure by Tenant. In addition, if the conduct of Tenant's business and/or manner of occupancy or use of the Demised Premises is such as to increase the fire insurance rate or fire insurance cost for the Building, such additional cost, expense or premium shall be paid by Tenant as Additional Rent.

55. Assignment and Subletting.

(a) If Tenant shall desire to assign this Lease or sublet the Demised Premises, Tenant shall submit to Owner a written request for Owner's consent to such assignment or subletting, which request shall contain or be accompanied by the following information: (i) the name and address of the proposed assignee or subtenant; (ii) a duplicate original of the executed assignment agreement or sublease; (iii) the nature and character of the business of the proposed assignee or subtenant and its proposed use of the Demised Premises; and (iv) banking, financial and other credit information with respect to the proposed assignee or subtenant reasonably sufficient to enable Owner to determine the financial responsibility of the proposed assignee or subtenant.

(b) Owner shall not unreasonably withhold or delay consent to the proposed assignment or subletting of the entire Demised Premises, provided that Tenant is not then in default under this Lease and further provided that the following further conditions shall be fulfilled:

(i) In case of a subletting, any sublease shall by its terms (a) expressly prohibit an assignment of the sublease and any further subletting of the premises covered by the sublease without the express written consent of Owner first obtained, and (b) be subject and subordinate to this Lease.

(ii) The Demised Premises will be used for the same or similar purposes set forth in Article 2 of the printed form hereof, or any use consistent with the then standards of the Building or the certificate of occupancy applicable thereto, or any use allowed by existing zoning laws and regulations, provided, however, that Owner must approve any changes in the use of the Demised Premises, which approval will not be unreasonably withheld or delayed, and in such event

Owner shall cooperate in the filing of any change of use application with the applicable zoning and building authorities, which shall be at no cost to Owner.

(iii) The proposed assignee or subtenant is a reputable party of reasonable financial worth, and Tenant shall have provided Owner with reasonable proof thereto to Owner's satisfaction.

(iv) Tenant shall reimburse Owner on demand for any costs that may be incurred by Owner in connection with any assignment or sublease, including, without limitation, the reasonable costs of making investigations as to the acceptability of the proposed assignee or subtenant, and reasonable legal costs incurred in connection with the granting of any requested consent.

(v) In case of an assignment, the assignee shall execute, acknowledge and deliver to Owner a recordable agreement, in form and substance satisfactory to Owner, whereby the assignee shall (i) assume the obligations and performance of this Lease and (ii) agree to be personally bound by and upon all of the covenants, agreements, terms, provisions and conditions thereof on the part of the Tenant to be performed and observed. Owner reserves the right to require the principals of any previously owned proposed assignee to provide a guaranty of payment and performance of such assignment agreement, in form and substance satisfactory to Owner.

(vi) Tenant shall pay to Owner, as Additional Rent, one-half of any and all rental and other consideration, including key money, received by Tenant in excess of the rental payable under this Lease.

(vii) In case of an assignment, the Assignee shall deposit with Owner the sum equal to two (2) months Fixed Rent as an additional security deposit to be held by Owner in accordance with the provisions of Article 31 of the printed form hereof.

(viii) In case of a subletting, the sublease shall contain the following provision: "This Sublease shall terminate, at the option of Owner, in the event of a termination of the Overlease for any reason or cause whatsoever, including, but not limited to, termination of the Overlease as a result of default by the Sublandlord for nonpayment of rent or voluntary agreement or surrender and acceptance between the Sublandlord and the Overlandlord."

(ix) In case of a subletting, the sublease shall further provide that: (i) it is subject and subordinate to each of the mortgages encumbering the property of which the Building/Demised Premises forms a part (the "Property") or any portion thereof; (ii) in the event of any foreclosure of a mortgage encumbering the Property or any portion thereof, the Subtenant shall, at the option of Owner's mortgagee or other successful purchaser in foreclosures, attorn to such mortgagee or purchaser, and (iii) the subtenant will give the mortgagee notice of and an opportunity (of at least thirty (30) days) to cure any default by the landlord thereunder beyond any time in which such landlord may effect a cure.

(x) No assignment or subletting shall be valid and no assignee or subtenant shall take possession of the Demised Premises until an executed counterpart of such assignment or sublease shall have been delivered to Owner and written consent thereto has been delivered by Owner. Tenant shall remain fully liable for the payment of Fixed Rent and Additional Rent due and to become due under this Lease and for the performance of any of the covenants, agreements, terms, provisions and conditions of this Lease on the part of the Tenant to be performed or observed, notwithstanding any assignment or subletting, whether or not in violation of the provisions of this Lease and notwithstanding the acceptance of rent by Owner from any assignee or subtenant or any other party. The consent by Owner to an assignment or subletting shall not be considered as relieving Tenant from obtaining the express written consent of Owner to any other or further assignment or subleasing.

56. Operating Tenant; Tenant's Own Use. Notwithstanding any of the provisions of this Lease, Tenant agrees that the Demised Premises shall be used and occupied by Tenant solely for its own use and by no others; and Tenant agrees that at all times during the term of this Lease: (a) Tenant will be the sole owner of all of the merchandise, chattels, fixtures and equipment contained in the Demised Premises; (b) the chattels, fixtures and equipment contained in the Demised Premises will be kept free and clear of all liens, claims and encumbrances; and (c) Tenant will be the sole owner and operator of the business conducted in and from the Demised Premises. Nothing herein contained shall be deemed or construed as modifying or changing the provisions of Article 11 the printed form of this Lease with respect to assignment or subletting.

57. "As Is". It is understood and agreed that the Demised Premises and utilities located therein, including, but not limited to, all fixtures and appurtenances, are being rented in their present condition "AS IS". All furniture and fixture shall be removed by Owner; provided, however, that all track lighting, all carpeting, the front reception desk, all built-in cabinetry, and the workstation areas in the rear of the Building shall remain and Tenant accepts them in their "AS IS" condition. Tenant has examined and inspected the Demised Premises and the Building and acknowledges that Owner has made no representations as to the condition or suitability thereof for any purpose or business. Owner does not guarantee that the times for exterior lighting and signage are in working order and Tenant accepts them in their "AS IS" condition. Except as expressly provided elsewhere in this Lease, Owner shall not be required to repair, renovate, restore or redecorate the Demised Premises at any time during the term of this Lease.

58. Maintenance of the Demised Premises. Tenant covenants and agrees to maintain the Demised Premises in a condition of proper cleanliness, orderliness and state of attractive appearance at all times and in keeping with the standards of the Building. Tenant further covenants and agrees, at its own cost and expense, to use all reasonable diligence in accordance with the best prevailing methods for the prevention and extermination of vermin, rats and mice in the Demised Premises. Tenant, at Tenant's sole cost and expense, shall keep the drain wastes and sewer pipes in the Demised Premises clean and free from obstruction and blockage to the reasonable satisfaction of Owner and all authorities having jurisdiction thereof. Tenant shall clear any obstruction or blockage in the Demised Premises or in the connection with main sewer lines caused by or as a result of Tenant's use or acts. Tenant further covenants to keep and maintain the storefront exterior, parking areas and landscaping in good order, first class appearance, and good repair.

59. Repairs. Notwithstanding and in addition to the provisions of Article 4 of the printed form hereof, Tenant, at Tenant's sole cost and expense, shall make any and all non-structural interior and, to the extent Tenant's responsibility, exterior repairs and replacements to the Demised Premises necessary to keep the Demised Premises and the utility systems therein in good physical order and condition, including, but not limited to ventilation, heating, plumbing, HVAC, in-ground sprinklers and other utility systems, floors, ceilings, wires or conduits for electrical and other utilities, fixtures, machinery and equipment located in the Demised Premises. If structural repairs are required by or structural damage is caused as a result of the use or occupancy of the Demised Premises by Tenant or Tenant's agents, contractors, employees, invitees or licensees, Tenant shall be required to make such necessary structural repairs resulting therefrom, at Tenant's sole cost and expense. Any repairs or replacements required to be made by Tenant are to be at least equal in quality of materials and workmanship to the work or installation existing at the time Tenant takes possession of the Demised Premises.

60. Waste. Tenant will not use or occupy the Demised Premises for a purpose or in a manner liable to cause structural injury to the Demised Premises or any part thereof, or in a manner which will make void or voidable any insurance then in force with respect thereto, resulting in cancellation or avoidance of any policy of insurance which is not, at least ten (10) days prior to the effective date of such avoidance or cancellation, replaced by an equivalent policy or policies, or which may make it impossible to obtain fire or other insurance thereon required to be furnished by Tenant hereunder, or in violation of any certificate of occupancy or law or regulation of the City of New York then in effect.

61. Compliance With Laws: Hazardous Materials. Tenant, at Tenant's expense, shall comply with all laws, rules, order, ordinances, directions, regulations and requirements of federal, state county and municipal authorities pertaining to Tenant's use of the Demised Premises and with the recorded covenants, conditions and restrictions affecting the Demised Premises, regardless of when they become effective, including, without limitation, all applicable federal, state and local laws, regulations or ordinances pertaining to air and water quality, Hazardous Materials (as hereinafter defined), waste disposal, air emissions and other environmental matters, all zoning and other land use matters, and utility availability, and with any direction of any public officer or officers, pursuant to law, which shall impose any duty upon Owner or Tenant with respect to the use or occupation of the Demised Premises. In addition, Tenant shall obtain and keep in force during the term of this Lease any and all permits, licenses or certificates, of whatsoever kind or nature, from any and all authorities having jurisdiction over the Demised Premises, necessary or required for the occupation and use of the Demised Premises. In no event shall Tenant be liable or responsible for any pre-existing condition.

(a) Use of Hazardous Material. Tenant shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Demised Premises by Tenant, its agents, employees, contractors or invitees without the prior written consent of Owner. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the

Demised Premises caused or permitted by Tenant results in contamination of the Demised Premises, or if contamination of the Demised Premises by Hazardous Material otherwise occurs for which Tenant is legally liable to Owner for damage resulting therefrom, then Tenant shall indemnify, defend and hold Owner harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Demised Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Demised Premises, damages arising from any adverse impact on marketing of space, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the term of this Lease as a result of such contamination. This indemnification of Owner by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local government agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Demised Premises. Without limiting the foregoing, if the presence of any Hazardous Material on the Demised Premises caused or permitted by Tenant results in any contamination of the Demised Premises, Tenant shall promptly take all actions at its sole expense as are necessary to return the Demised Premises to the condition existing prior to the introduction of any such Hazardous Material to the Demised Premises; provided that Owner's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse effect on the Demised Premises. The foregoing indemnity shall survive the expiration or earlier termination of this Lease. In no event shall Tenant be liable or responsible for any pre-existing condition.

(b) Definition of Hazardous Material. As used herein, the term "Hazardous Material" or "Hazardous Materials" means any hazardous or toxic substance, material or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR 302) and any existing or subsequent amendments thereto, or such substances, materials and wastes that are or become regulated under any applicable local, state or federal law, including certain toxic or hazardous materials or wastes regulated under the Clean Water Act (33 USC 1251 et seq.), the Clean Air Act (42 USC 7401 et seq.), the Resource Conservation and Recovery Act (42 USC 6901 et seq.), Toxic Substances Control Act (15 USC 2601 et seq.) and their New York State counterparts.

(c) Inspection. ~~Owner and its agents shall have the right, but not the duty, to inspect the Demised Premises at any time to determine whether Tenant is complying with the terms of this Lease. If Tenant is not in compliance with this Lease, Owner shall have the right to immediately enter upon the Demised Premises to remedy any contamination caused by Tenant's failure to comply. Owner shall use reasonable efforts to minimize interference with Tenant's business, but shall not be liable for any interference caused thereby, provided that Owner shall not be required to incur any overtime or unusual expense in connection therewith.~~

(d) Default. Any default under this Article shall be a material default enabling Owner to exercise any of the remedies set forth in this Lease.

62. Maintenance of Paved and Other Outside Areas. Tenant agrees to maintain the sidewalks in the front of the Demised Premises, and all parking areas comprising part of the Demised Premises and agrees to keep same free from snow, ice and debris (at its own cost and expense), and to maintain all landscaping in and about the Demised Premises. Tenant further covenants that the sidewalks in front of or adjoining the Demised Premises shall be used solely for the purposes of pedestrian traffic, and Tenant shall not erect or install or permit the erection or installation of any structure, display or furniture of any kind upon the sidewalk, nor permit the sidewalk to be used for purposes of advertising, display or sale of goods or services.

63. Owner's Right to Cure Tenant's Defaults. If Tenant shall fail to fully comply with any of its obligations under this Lease, Owner, without thereby waiving such default and without liability to Tenant, may, but shall not be obligated to, perform the same for the account and at the expense of Tenant, without notice in case of emergency and upon two days' prior notice in all other cases. Owner may enter the Demised Premises at any time to cure any default. Bills for all costs and expenses incurred by Owner in connection with such performance (including, without limitation, bills for any property, material, labor or services provided, furnished or rendered, and reasonable attorneys' fees and disbursements) shall be paid by Tenant as Additional Rent within five (5) days after demand.

64. Owner's Liability. Anything herein to the contrary notwithstanding, Owner's liability for its negligence or failure to perform its obligations under this Lease shall be limited to Owner's interest in the land and Building. Tenant shall neither seek to enforce nor enforce any judgment or

other remedy against any partner, member, shareholder, officer and/or director of Owner or any principal of any firm or entity that may hereafter be or become the Owner, and no other property or assets of Owner shall be subject to levy, execution or other enforcement procedures for the satisfaction of Tenant's remedies under or with respect to this Lease, the relationship of Owner and Tenant under this Lease or Tenant's use and occupancy of the Demised Premises.

65. End of Term. Supplementing the provisions of Article 2 of the printed form of this Lease, if the Demised Premises are not surrendered and vacated as and at the time required by this Lease (TIME BEING OF THE ESSENCE), Tenant shall be liable to Owner for (a) all losses and damages which Owner may incur or sustain by reason thereof, including, without limitation, reasonable attorneys' fees, and Tenant shall indemnify Owner against all claims made by any succeeding tenants of the Demised Premises against Owner or otherwise arising out of or resulting from the failure of Tenant timely to surrender and vacate the Demised Premises in accordance with the provisions of this Lease and (b) use and occupancy in respect of the Demised Premises equal to two (2) times the Fixed Rent and Additional Rent payable hereunder for the last year of the term of this Lease (which amount Owner and Tenant presently agree is the minimum to which Owner would be entitled and is presently contemplated by them as being fair and reasonable under such circumstances and not a penalty) apportioned on a per diem basis. In no event shall any provision hereof be construed as permitting Tenant to hold over in possession of the Demised Premises after expiration or termination of the term of this Lease.

66. Submission to Jurisdiction, Etc. This Lease shall be deemed to have been made in New York County, New York, and shall be construed in accordance with the laws of the State of New York. All actions or proceedings relating directly or indirectly to this Lease shall be litigated only in state or city courts located within the County of New York. Tenant, any guarantor of the performance of its obligations hereunder ("Guarantor") and their permitted successors and assigns hereby (i) subject themselves to the jurisdiction of any state or city court located within such county, (ii) waive the personal service of any process upon them in any action or proceeding therein and consent that such process may be served by certified or registered mail, return receipt requested, directed to Tenant and any successor at Tenant's address hereinabove set forth, to Guarantor and any successor at the address set forth in the instrument of guaranty and to any assignee at the address set forth in the instrument of assignment or to any attorney named by Tenant to receive such notification. Such service shall be deemed made two days after such process is so mailed.

67. Limitation of Remedies. With respect to any provision of this Lease which provides, in effect, that Owner shall not unreasonably withhold or unreasonably delay any consent or any approval, Tenant in no event shall be entitled to make, nor shall Tenant make any claim against Owner, and Tenant hereby waives any claim against Owner for money damages. Tenant shall not claim any money damages by way of set-off, counterclaim or defense based upon any claim or assertion by Tenant that Owner has unreasonably withheld or unreasonably delayed any consent or approval, Tenant's sole remedy being an action or proceeding to enforce any such provision, or for specific performance, injunction or declaratory judgment.

68. Fees and Expenses. If any litigation is commenced between Owner and Tenant arising out of or in connection with this Lease or the landlord-tenant relationship between the parties, the losing party shall pay the reasonable legal fees and legal expenses paid or incurred by the prevailing party in connection with such litigation.

69. No Attornment. All checks tendered to Owner as and for the Fixed Rent or Additional Rent required hereunder shall be deemed payments for the account of Tenant. Acceptance by Owner of Fixed Rent or Additional Rent from anyone other than Tenant shall not be deemed to operate as (i) an attornment to Owner by the payor of such Fixed Rent or Additional Rent; (ii) as a consent by Owner to an assignment of this Lease or subletting by Tenant of the Demised Premises to such payor, or (iii) as a modification of any of the provisions of this Lease.

(a) Tenant's Work. Tenant, at Tenant's sole cost and expense, Tenant shall perform the alterations and renovations set forth on the plans and specifications annexed hereto as Exhibit A (Tenant's "Work"). Tenant's Work shall be performed in a good workmanlike manner, using first class materials, in compliance with all laws, orders and regulations of all state, federal, municipal and local governments, departments, commissions and boards and any direction of any public officer pursuant to law, and all orders, rules and regulations of the New York Board of Fire Underwriters or the Insurance Services Office. Any alteration or installation made by Tenant shall provide for access for the Owner as provided in this Lease.

(b) Plans, Specifications, Permits. Before commencing Tenant's Work, Tenant shall (i) submit to Owner, for Owner's prior written approval, detailed plans and specifications for

Tenant's Work and (ii) obtain all permits, approvals and certificates required by any governmental or quasi-governmental bodies and shall promptly deliver duplicates of all such permits, approvals and certificates to Owner. Tenant shall also carry, and furnish to Owner, duplicate original policies of worker's compensation insurance covering all persons to be employed in connection with Tenant's Work, and such other commercial general liability, personal and property damage insurance as Owner may require. Simultaneously therewith, Tenant shall furnish Owner a completion bond, with proof of payment thereof, issued by a surety company licensed to do business in the County of Suffolk and State of New York, which bond shall run for the benefit of Owner and shall be in an aggregate amount of the contract or contracts for Tenant's Work.

(c) Completion Date. Tenant covenants that it shall complete Tenant's Work within six (6) months after Tenant actually commences Tenant's Work. Tenant's failure to comply with the provisions of this subsection shall be regarded as a material breach under the terms of this Lease, entitling Owner to exercise any or all of the remedies provided in this Lease in the event of Tenant's default.

(d) Proof of Completion. Upon completion of Tenant's Work, Tenant shall submit to Owner (i), if required, a "Write-off" from the Building Department of any other agency, department or bureau having jurisdiction thereover, (ii) a waiver of lien from the contractor or contractors performing Tenant's Work, (iii) proof of payment of all bills for Tenant's Work and (iv) an amended Certificate of Occupancy for the Building if required by reason of Tenant's Work.

(e) Indemnification. Tenant agrees to indemnify and hold Owner harmless against any and all bills for labor performed and equipment, fixtures and materials furnished to Tenant in connection with the Work and from and against all loss, damage, costs, expenses, suits, claims and demands (including reasonable attorney's fees) whatsoever arising therefrom, including claims for personal injury, death or property damage occasioned during the progress or as a result of the Work, except for claims arising out of the acts of Owner, its agents or employees. If any mechanic's lien is filed against the Premises for the Work or any part thereof or for materials furnished to Tenant, the same shall be discharged by Tenant, at Tenant's expense, within thirty (30) days after such filing.

(f) No Consent to Liens. Nothing in this Lease is intended to constitute a consent by Owner to subjecting Owner's or Tenant's interest in the Building or the Property to any lien or claim by any person who supplies any work, labor, material, service or equipment for any alteration performed by or on behalf of Tenant. Owner hereby notifies all such persons of such intent and each such person agrees that by performing any alterations for or on behalf of Tenant, they accept that Owner has not granted such consent and that such person shall not have the right to file any lien or claim against such interest of Owner or Tenant in the Building or the Property. Tenant agrees to provide a copy of this Article to all such persons prior to entering into any contract for or otherwise having any alterations performed for or on behalf of Tenant.

70. Tenant's Certificate. Within ten (10) days after request by Owner (but not more than three (3) times in any twelve month period), and without cost to Owner, Tenant shall certify by written instrument, duly executed, acknowledged and delivered to Owner or any person, firm or corporation specified by Owner:

(a) that this Lease is unmodified and in full force and effect (or, if there has been modification, that the same is in full force and effect as modified and stating the modifications;

(b) whether or not any alleged setoffs or defenses exist against the enforcement of any of the agreements, terms, covenants or conditions upon the part of Owner to be performed or complied with under this Lease (and, if so, specifying the same);

(c) the date, if any, to which the Fixed Rent and additional Rent have been paid in advance; and

(d) such other items as any mortgagee or prospective purchaser or mortgagee may reasonably request.

71. Supplement to Article 9. Supplementing the provisions of Article 9 of the printed form of this Lease, Owner shall not be obligated to commence any repairs or restorations to the Demised Premises as required thereunder unless and until Owner has received the proceeds of all fire insurance policies affecting the Building.

72. Manner of Doing Business.

(a) In no event shall the Demised Premises or any portion thereof be used for a discount operation, clearance center or other similar type of retail operation. No fictitious "fire sales" or "going out of business sales" or other similar sales may be conducted on, in or from the Demised Premises. Routine and usual sales which are normally incidental to the operation of the type of retail store permitted under this Lease shall be allowed, provided they are conducted in a reputable and dignified manner consistent with the manner of business operations presently utilized in other first-class retail stores. In no event, shall any sign or other promotional material or any lettering, numbering, picture or image be permanently affixed, painted, written or otherwise created directly on any window or door.

(b) Any sign (or other promotional material) shall be professionally prepared, neat, clean, in good taste and otherwise in keeping with the provisions of this Article and other relevant provisions of this Lease. It is specifically acknowledged and agreed that the exterior and interior display of any and all items permitted to be sold at the Demised Premises shall be consistent with the manner and display of similar items presently utilized by other first-class retail stores.

73. Failure To Do Business. Because of the difficulty or impossibility of determining Owner's damages by way of loss or value in the Building because of diminished salability, mortgage ability, rentability or adverse publicity or appearance, if Tenant:

(a) fails to open for business in the Demised Premises fully fixtured, stocked and staffed on or before the date which shall be six (6) months after the date of the commencement of the term of this Lease, or;

(b) ceases the regular operation of business at the Demised Premises (except during any period the Demised Premises is rendered untenable by reason of fire or other casualty), then and in any of such events (hereinafter referred to as a "failure to do business"), except where such failure to do business is caused by an act of God, strike lockout, labor dispute, civil commotion or any other event or cause similar to the foregoing and beyond the control of Tenant, Owner shall have the right, at its option, to treat such failure to do business as a default by Tenant in the performance of a material covenant of this Lease.

74. Option to Renew. Provided that at the time of the exercise of any option contained in this Article or at the time any renewal period commences, Tenant is not in default beyond an applicable notice grace and cure periods under any of the terms and conditions of this Lease, Tenant shall have the option to renew this Lease and extend the term hereof for three additional periods of five (5) years each to commence on the expiration of the initial term of this Lease or the expiration of any preceding extensions, as the case may be. All the terms and conditions of this Lease shall apply during each renewal period, except that the Fixed Rent during each renewal term, in addition to all other charges set forth in this Lease, shall be paid in the same manner as the rent reserved in the initial term of this Lease and shall be in the following amounts:

<u>Term</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
<u>First Renewal Term</u>		
7/1/18 - 6/30/19	\$738,250.89	\$61,520.91
7/1/19 - 6/30/20	760,398.42	63,366.54
7/1/20 - 6/30/21	783,210.37	65,265.53
7/1/21 - 6/30/22	806,706.58	67,225.56
7/1/22 - 6/30/23	830,927.88	69,242.32
<u>Second Renewal Term</u>		
7/1/23 - 6/30/24	855,835.12	71,319.59
7/1/24 - 6/30/25	881,570.17	73,459.18
7/1/25 - 6/30/26	907,955.48	75,662.96
7/1/26 - 6/30/27	935,194.14	77,932.85
7/1/27 - 6/30/28	963,249.96	80,270.83

Third Renewal Term

7/1/28 – 6/30/29	992,147.46	82,678.96
7/1/29 – 6/30/30	1,021,911.88	85,159.32
7/1/30 – 6/30/31	1,052,569.24	87,714.10
7/1/31 – 6/30/32	1,084,146.22	90,345.53
7/1/32 – 6/30/33	1,116,670.74	93,055.89

Each option must be exercised by Tenant by written notice to Owner sent by certified mail, return receipt requested, on or before six months prior to the expiration of the then existing term of this Lease. Upon timely receipt of such notice, the term hereof shall be extended without further action by either party, but both parties, upon request of either party, shall execute and deliver to the other an instrument evidencing such extension. Tenant's failure to timely serve any notice as required by this Article shall automatically cancel and nullify Tenant's option to renew the term of this Lease. **TIME SHALL BE OF THE ESSENCE** with respect to Tenant's obligation to deliver the notices and the payments required under this Article.

75. Compliance with Laws. Supplementing the provisions of Article 6 of the printed form of this Lease, Tenant shall give prompt notice to Owner of any notice it receives of the violation of any law or requirement of any public authority with respect to the Demised Premises or the use or occupation thereof. Tenant shall be responsible for the cost of compliance with all present and future laws and requirements of any public authorities arising from (i) Tenant's use of the Demised Premises, (ii) the manner of conduct of Tenant's business or operations of its installations, equipment or other property therein, (iii) any cause or condition created by or at the instance of Tenant, or (iv) the breach of any of Tenant's obligations hereunder, whether or not such compliance requires work which is structural or non-structural, ordinary or extraordinary, foreseen or unforeseen; and Tenant shall pay all the costs, expenses, fines, penalties and damages which may be imposed upon Owner or the holder of any underlying lease to which this Lease is subject and subordinate by reason of or arising out of Tenant's failure to compel with and observe the provisions of this Lease.

If Owner shall be required under this Lease or pursuant to law to comply with any laws and requirements of public authorities affecting the Demised Premises, Owner may, at its option, elect to terminate this Lease by giving not less than thirty (30) days' notice to Tenant. If Tenant shall give notice to Owner, within fifteen (15) days after the giving by Owner of such notice of termination, that Tenant shall cause the required repairs or alterations to be made at Tenant's expense, then (i) Owner's notice of termination shall be ineffective, and (ii) Tenant shall, at Tenant's sole cost and expense, promptly and diligently cause such repairs and alterations to be performed and shall hold Owner harmless from any and all costs, expenses, penalties or liabilities in connection therewith. Any work or alteration performed by Tenant pursuant to the provisions of this paragraph shall be performed in accordance with the terms and provisions of this Lease.

76. Brokerage. The parties represent that they only dealt with Cleva/Phillips Real Estate Services Corp. as broker ("Broker"), and no other broker in connection with this Lease and Owner shall pay the Broker's commission therefor pursuant to separate agreement. Tenant agrees to indemnify and save harmless Owner against and from any and all claims, liability and expense (including reasonable attorney's fees) for any other brokerage commission or finder's fee based on the actions of Tenant or its agents or representatives. Tenant's liability under this Article shall survive any expiration or termination of this Lease.

77. Quiet Enjoyment. Owner covenants and agrees with Tenant that upon Tenant paying the Fixed Rent and Additional Rent herein reserved and upon Tenant performing all covenants and conditions herein contained on Tenant's part to be observed and performed, Tenant may and shall specifically and quietly have, hold and enjoy the Demised Premises for the term of this Lease, subject, nevertheless, to all of the terms and conditions of this Lease, provided, however, that no eviction of Tenant by reason of paramount title, the foreclosure of any mortgage which may now or hereafter affect the Building and to which this Lease is or may be subject or subordinate, or by reason of termination of any ground or underlying lease to which this Lease is subject and subordinate, whether such foreclosure or termination, as the case may be, is by operation of law, by agreement or otherwise, shall be construed as a breach of this covenant, nor shall any action by reason thereof be brought against Owner. This covenant shall be construed as a covenant running with the land and is not, nor shall it be construed as, a personal covenant of Owner, except to the extent of Owner's interest in the land and Building and only so long as such interest shall continue.

78. Option to Purchase Demised Premises/Building.

(a) The Owner hereby grants to the Tenant a one-time right to purchase (the "Option") the Building/Demised Premises. The Option shall expire on December 31, 2012, or sooner termination of the Lease. The Option shall be exercisable only if both on the date notice of the exercise of the Option and, on the date provided for closing in such notice, the Lease is in full force and effect and Tenant is not in default of any of the material terms and conditions of this Lease.

(b) Notice of Exercise and Execution of Contract. The exercise of the Option shall be effected by the Tenant giving notice of such exercise to the Owner, specifying a date, hour and place for the closing of title (the "Closing Date"). The Closing Date shall be not prior to July 1, 2013 and all Fixed Rent, Additional Rent and all other sums due hereunder shall be paid to up to and including the actual Closing Date. The Tenant shall deliver to the Owner, together with such notice, the Tenant's certified check in the amount equal of One Hundred Thousand (\$100,000.00) Dollars as a deposit on account of the purchase price (interest thereon to go to Tenant), together with a duly executed contract of sale (the "Contract") in the form annexed hereto. No later than sixty (60) days prior to the Closing Date, Tenant shall deliver to Owner, the Tenants' certified check in the amount of Six Hundred Thousand Dollars (\$600,000.00) (interest thereon to be divided equally between Tenant and Owner), as an additional deposit on account of the purchase price. The purchase price for the Building/Demised Premises shall be Seven Million (\$7,000,000.00) Dollars payable as set forth in the Contract.

(c) Time of the Essence. Within ten (10) days after the delivery of an executed copy of the Contract by Tenant to Owner, Owner shall execute and deliver the Contract to the Tenant. The time of the exercise of the Option, the delivery of an executed copy of the Contract and the delivery of the Down Payment by the Tenant to the Owner shall be deemed of the essence of this agreement. If the Tenant fails to timely deliver any notice of exercise of the Option, in accordance with the terms hereof, the Option granted hereby shall be deemed canceled and of no further force and effect.

(d) Liquidated Damages to Owner. If Tenant exercises the Option, and thereafter Tenant is in default under the Contract and fails to close title to the Building/Demised Premises in accordance therewith, Owner, as Seller under the Contract shall be entitled to retain the Down Payment as liquidated damages and this Lease shall remain in full force and effect except that this Article shall be deemed deleted and Tenant shall have no option to purchase the Building/Demised Premises during the balance of the term of this Lease.

79. Severability. If any one or more of the provisions of this Lease shall operate or would prospectively operate to invalidate this Lease, then such provision or provisions only shall be deemed to be null and void and of no force and effect.

80. Tenant's Right to Terminate. Tenant shall have the right to terminate this Lease effective at any time after March 31, 2012 upon giving Owner not less than one year's prior written notice of its exercise of such right (the "Termination Notice"). If the Termination Notice is timely given this Lease shall end and expire on the date (the "Termination Date") set forth in the Termination Notice with the same force and effect as if the Termination Date had been the date originally set forth herein. The Termination Notice shall be irrevocable. Anything to the contrary contained herein notwithstanding, the Termination Notice shall only be effective provided Tenant has vacated the Demised Premises on or before the Termination Date, time being of the essence with regard to the Termination Date. If Tenant exercises its termination right and the Termination Date is on or before March 31, 2014, in addition to all other amounts due Owner under this Lease, Tenant shall pay Owner an amount equal to two months' Fixed Rent as of the Termination Date. If Tenant exercises its termination right and the Termination Date is on or before March 31, 2016, in addition to all other amounts due Owner under this Lease, Tenant shall pay Owner an amount equal to one months' Fixed Rent as of the Termination Date. No amount shall be due Owner if Tenant exercises its termination right and the Termination Date on or after April 1, 2016.

81. Mortgages.

(a) This Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate to all mortgages which may now or hereafter affect the land which the Building is situated (the "Land") and/or the Building and/or that portion of the Building of which the Premises are a part whether or not such mortgages shall also cover other lands and/or buildings and/or leases, to each and every advance made or hereafter to be made under such mortgages, and such mortgages, spreaders and consolidations of such mortgages. This section shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall

promptly execute, acknowledge and deliver any instrument that Owner, the holder of any such mortgage or any of their respective successors in interest may reasonably request to evidence such subordination. If Tenant fails to execute, acknowledge or deliver any such instruments within ten (10) days after request therefor Tenant hereby irrevocably constitutes and appoints Owner as Tenant's attorney-in-fact, coupled with an interest, to execute and delivery any such instruments for and on behalf of Tenant. Any mortgage to which this lease is, at the time referred to, subject and subordinate is herein called a "Superior Mortgage" and the holder of a Superior Mortgage is herein called a "Superior Mortgagee."

(b) If any act or omission of Owner would give Tenant the right, immediately or after lapse of a period of time, to cancel or terminate this Lease, or to abate or offset against the payment of rent or to claim a partial or total eviction, Tenant shall not exercise such right (i) until it has given written notice of such act or omission to Owner and each Superior Mortgagee whose name and address shall previously have been furnished to Tenant, and (ii) until a reasonable period for remedying such act or omission shall have elapsed following the giving of such notice and following the time when such Superior Mortgagee shall have become entitled under such Superior Mortgage, as the case may be, to remedy the same (which reasonable period shall in no event be less than the period to which Owner would be entitled under this Lease or otherwise, after similar notice, to effect such remedy plus thirty (30) days), provided such Superior Mortgagee shall with due diligence give Tenant notice of intention to, and commence and continue to, remedy such act or omission.

(c) If any Superior Mortgagee, or any designee of any Superior Mortgagee, shall succeed to the rights of Owner under this Lease, whether through possession, foreclosure action or delivery of a new lease or deed, then at the request of such party so succeeding to Owner's rights (herein called "Successor Owner") and upon such Successor Owner's written agreement to accept Tenant's attornment, Tenant shall attorn to and recognize such Successor Owner as Tenant's landlord under this Lease and Tenant shall promptly execute and deliver any instrument that such Successor Owner may reasonably request to evidence such attornment. Upon such attornment this Lease shall continue in full force and effect as a direct lease between the Successor Owner and Tenant upon all of the terms, conditions and covenants as are set forth in this Lease, except that the Successor Owner shall not be:

(i) liable for any previous act or omission of Owner (or its predecessors in interest);

(ii) responsible for any monies owing by Owner to the credit of Tenant;

(iii) subject to any credits, offsets, claims, counterclaims, demands or defenses which Tenant may have against Owner (or its predecessors in interest);

(iv) bound by any payments of rent which Tenant might have made for more than one (1) month in advance to Owner (or its predecessors in interest);

(v) bound by any covenant to undertake or complete any construction of the Demised Premises or any portion thereof;

(vi) required to account for any security deposit other than any security deposit actually delivered to the Successor Owner;

(vii) bound by any obligation to make any payment to Tenant or grant or be subject to any credits, except for services, repairs, maintenance and restoration provided for under this Lease to be performed after the date of attornment and which landlords of like properties ordinarily perform at the landlord's expense, it being expressly understood, however, that the Successor Owner shall not be bound by any obligation to make payment to Tenant with respect to construction performed by or on behalf of Tenant at the Demised Premises;

(viii) bound by any modification of this Lease, including, without limitation, any modification which reduces the Fixed Rent or Additional Rent or other charges payable under this Lease, or shortens the term thereof, or otherwise materially adversely affects the rights of the lessor thereunder, made without the written consent of the Successor Owner; or

(ix) required to remove any person occupying the Demised Premises or any part thereof.

82. Submission of Lease. The submission of this Lease to Tenant shall not constitute an offer by Owner to execute and exchange a lease with Tenant and is made subject to Owner's acceptance, execution and delivery thereof.

83. Compliance with the Americans with Disabilities Act. Notwithstanding anything else in this lease to the contrary, this addendum applies to all issues related to compliance with the Americans with Disabilities Act ("ADA"). In the event of any conflict between the rest of the lease and this addendum, this addendum controls.

(a) Any alterations, remodeling, construction, reconstruction, installation of improvements or other work done to the Premises shall be done in compliance with the requirements of ADA and regulations promulgated pursuant to the ADA ("ADA Requirements"), at the expense of the party who is performing the work.

(b) If a regulatory agency, private party, organization or any other person or entity makes a claim under the ADA against either (or both) parties to this lease, the party whose breach (or alleged breach) of responsibility under this lease gave rise to the claim shall promptly retain attorneys and other appropriate persons to advise the parties regarding the same, and shall in good faith and at that party's sole cost and expense take whatever actions are necessary to bring the Premises or the Property, as the case may be, into compliance with ADA Requirements. That party shall defend, save and hold harmless the other party from any and all expenses incurred in responding to such a claim, including without limitation the fees of attorneys and other advisors, court costs, and costs incurred for bringing the Property and/or the Premises into compliance. If the claim relates to an aspect of the Premises or the Property as it existed at the time of the execution of the lease, as opposed to work performed by either party after the execution of the lease, then Owner shall be deemed to be the party whose breach of responsibility gave rise to the claim.

(c) Tenant shall not alter the Premises without the prior written consent of Owner. If a proposed alteration would, in the good faith written opinion of Owner's advisors, trigger expenditures made for the purpose of complying with ADA Requirements that are not applicable to the then-current use of the Premises by Tenant, Owner may refuse the proposed change in use on that ground or, alternatively, condition approval of such change in use upon Tenant's agreement to bear the expense of compliance with ADA Requirements triggered by Tenant's proposed change in use. This subparagraph also applies to proposed assignments or subleases which would change the use of the Premises.

(d) Notwithstanding the above, neither party shall be held responsible for any costs or expenses relating to practices of the other which are deemed to be discriminatory under the ADA and which relate solely to the conduct of such party (as opposed to Physical barriers), and each party shall indemnify the other against costs or expenses relating to the other party's conduct.

(e) Notwithstanding the above, Tenant is solely responsible for expenses necessary to comply with ADA Requirements triggered solely by a disability of one or more of Tenant's employees.

(f) Both parties shall cooperate reasonably with each other to comply with ADA Requirements in the least expensive reasonable manner, and to create as little disruption as possible to the business operations of Owner, Tenant and the other tenants of the Property.

(g) Any rules and regulations which would prohibit either party from complying with ADA Requirements are deemed by this subparagraph to be modified to the extent necessary to allow compliance.

(h) Any failure to comply with the provisions of this Paragraph, after written notice to the noncomplying party and an opportunity to cure within a reasonable period, shall be an event of default under the lease. A reasonable period to cure means cure or commencement of efforts, diligently pursued to completion, to cure within ten days.

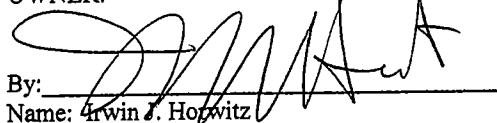
84. Actions, Approvals and Determinations. Wherever in this Lease it is provided that (a) as a condition precedent to Tenant's undertaking certain action, Tenant shall be required to obtain Owner's consent or approval or (b) Owner shall have the right to make a determination (including, without limitation, a determination as to whether a matter is satisfactory to Owner), or if Tenant shall request that Owner take any action, then, unless expressly provided to the contrary in the applicable provision of this Lease, the decision whether to grant such consent or approval or to take the requested action, or the determination in question, shall be in the sole and exclusive discretion of Owner and shall be final and conclusive. Wherever in this Lease it is stated that any consent or

approval shall not be unreasonably withheld or that a determination to be made by Owner shall be subject to a specified standard, then, if a court of competent jurisdiction determines, without right to further appeal, that the consent or approval has been unreasonably withheld or that such specified standard has been met, the consent or approval shall be deemed granted or the standard shall be deemed met, as the case may be, and Owner, at the request of Tenant, shall deliver to Tenant written confirmation thereof. The obtaining of such consent or approval or determination that such standard has been met shall be Tenant's sole and exclusive remedy with respect to the subject matter of this Article, and under no circumstance shall Owner, Owner's counsel or anyone else acting or purporting to act on Owner's behalf have any liability (whether in damages or otherwise) with respect thereto. In any instance in which Tenant requests, or the Lease provides, that Owner shall consider granting its consent or approval or making a determination or taking some other action, Tenant shall, upon demand, pay all costs, expenses and attorneys' fees incurred by Owner in connection therewith.

85. Authorization of Owner. Owner represents that it is the owner in fee simple of the land and Building, it has the legal power, right and authority to enter into this Lease and all requisite corporate action has been taken by the Owner in connection with entering into this Lease and the consummation of the transaction contemplated hereby. No consent of any shareholder, creditor, investor, judicial or administrative body, governmental authority or other party is required. The individual executing this Lease on behalf of the Owner has the legal power, right and actual authority to bind such party to the terms and conditions hereof.

86. Authorization of Tenant. Tenant has the legal power, right and authority to enter into this Lease and all requisite corporate action has been taken by the Tenant in connection with entering into this Lease and the consummation of the transaction contemplated hereby. No consent of any shareholder, creditor, investor, judicial or administrative body, governmental authority or other party is required. The individual executing this Lease on behalf of the Tenant has the legal power, right and actual authority to bind such party to the terms and conditions hereof.

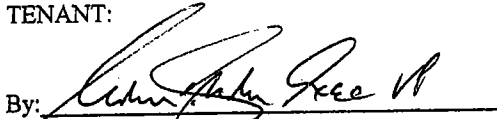
OWNER:

By: 

Name: Irwin J. Hopwitz

Its: President

TENANT:

By: 

Name: Edward R. Seidner

Its: Executive Vice-President

SECOND RIDER TO LEASE AGREEMENT

Rider attached to Lease dated: 4/1/2008

Owner: RESTFUL FURNITURE CORPORATION

Tenant: HARTSDALE CONVERTIBLES, INC.

Relating to property known as: 700 Sunrise Highway, Bayport NY 11705

Consisting of provisions numbered: R1 – R24

R1 Access to Building

Owner covenants and agrees, and this Lease is conditioned upon there being at all times during the Lease Term (i) direct and unencumbered access between the public ways and the sidewalk on either side thereof on the one hand and the Demised Premises on the other hand and (ii) no additional buildings, structures, obstructions, barriers and the like constructed upon, attached or placed adjacent to the Building and/or the Demised Premises, which in any event shall not adversely affect the access to or visibility of the Building and/or the Demised Premises and/or Tenant's sign(s). In addition, Owner covenants and agrees that it will not reduce the space nor the dimension of the Demised Premises.

R2 Delivery of Possession

Delivery of possession of the Building and the Demised Premises to Tenant shall in no event be deemed to have occurred until actual and exclusive physical possession of the Building and the Demised Premises shall have been delivered to Tenant in a broom-clean condition, free and clear of all material violations, prior leases, Tenants and/or occupants, and with all material warranties and representations contained in this Lease being true and fulfilled as of such date, and with the construction and condition of the Building and the Demised Premises being such as to allow the issuance of a building permit for work to be performed by Tenant. Owner shall deliver such possession to Tenant no later than April 1, 2008 provided, however, that Owner's obligations hereunder are conditioned on it having received a change of tenant approval from the Town of Islip, which approval will be sought by Owner immediately upon execution of this Lease and pursued with diligence. Under no circumstances shall Tenant be responsible for any pre-existing violations.

R3 Alterations

Tenant shall have the right, without consent of Owner, to make non-structural repairs and alterations, provided disbursements are no more than \$35,000.00 per annum per lease year.

R4 Use of the Premises

Tenant shall use the Demised Premises for the purpose of conducting a retail furniture store, including but not limited to the sale of sofas, furniture, mattresses, home furnishings and related items and ancillary items.

R5 Hazardous Materials

Owner represents that to the best of Owner's knowledge, the Demised Premises, on the commencement date of this Lease, will contain no Hazardous Materials requiring remediation.

R6 Yield Up

Tenant agrees, at no later than the Expiration Date, to remove all trade fixtures and personal property, to repair any damage caused by such removal, to remove all Tenant's signs wherever located and to surrender all keys to the Demised Premises and yield up the Demised Premises, in the same good order and repair in which Tenant is obliged to keep and maintain the Demised Premises by the provisions of this Lease, reasonable wear and tear and damage by fire, casualty or taking excepted. Any property not removed shall be deemed abandoned and may be removed and disposed of by Owner in such manner as Owner shall determine, without any obligation on the part of Owner to account to Tenant for any proceeds therefrom, all of which shall become the property of Owner. Notwithstanding anything close to the contrary, Tenant shall remove all structural alterations and restore the Building to its original structural condition reasonable wear and tear excepted.

R7 Maintenance

Owner agrees to transfer or enforce for the benefit of Tenant the unexpired portions, if any, of any warranties relating to the Demised Premises, the equipment that is a part thereof, the HVAC system and the like. Owner covenants and agrees that it will, at all times during the Lease Term, maintain and keep in good order and repair the foundation, exterior, exterior walls, steel frame, roof, structural portions, and underground utility lines of the Demised Premises and the Building, and all utility lines serving the Demised Premises. Owner shall make all repairs and replacements thereof without, to the extent practicable, interfering with the conduct of Tenant's business. If during such repairs and replacements the Building or the Demised Premises are wholly or partially unsuitable for their use as provided in this Lease, there shall be an equitable abatement of Minimum Annual Rent, Percentage Rent and all other additional rent until such time as such repairs and replacements have been completed.

R8 Interior Signs

Tenant shall be entitled to place, maintain, and Owner shall allow it to be permitted, placed and maintained appropriate dignified displays of customary type for its display windows on the interior of the window area, or elsewhere on the premises so as to be visible to the public as may be allowed by law. Tenant shall be permitted a "relocating sign" during the last sixty (60) days.

R9 Remedies Cumulative

Any and all rights and remedies that Owner or Tenant may have under this Lease, and at law and in equity, shall be cumulative and shall not be deemed inconsistent with each other, and any two or more of all such rights and remedies may be exercised at the same time insofar as permitted by law.

R10 Right to Cure Defaults

(a) With regard to non-monetary default by Owner, Tenant shall have a right to

commence to cure said default or perform within thirty (30) days after notice.

R11 Effect of Waivers on Default

No consent or waiver, express or implied, by either party to or of any breach of any covenants, conditions or duty of the other shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition or duty.

R12 Assignment, Subletting, etc.

(a) Notwithstanding anything to the contrary, no consent shall be required for, and Tenant shall have the right to make, any assignment, transfer or subletting of the Demised Premises, or any part thereof (i) to a parent, subsidiary or affiliated company, (ii) directly or indirectly, in any manner, in connection with a merger, or a consolidation or a combination, or a sale of substantially all of the assets constituting a portion and/or all of the retail chain of which the business in the Demised Premises is a part in the state in which the Demised Premises is located. Upon any assignment in accordance with the foregoing, the Tenant named herein shall be relieved of any further liability hereunder so long as the full and faithful payment and performance of the Lease remains guaranteed by Jennifer Convertibles, Inc. or other public company traded on a major United States stock exchange.

R13 Notice from One Party to the Other

Any notice from Owner to Tenant or from Tenant to Owner shall be sent by certified mail, return receipt requested. All notices shall be addressed or delivered, if to:

To Owner:	Restful Furniture Corp. 30 West Jericho Turnpike Huntington Station, NY 11746 Attn: Irwin Horwitz, President
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With A Copy to:	Robinson Brog Leinwand Greene Genovese & Gluck P.C. 1345 Avenue of the Americas New York, NY 10105 Attn: Marshall J. Gluck, Esq.
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To Tenant:	Hartsdale Convertibles, Inc. 419 Crossways Park Drive Woodbury, New York 11797 Attn: Edward B. Seidner
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With a Copy to:	Law Offices of Wincig & Wincig 574 Fifth Avenue, 2 nd Floor New York, NY 10036 Attn: Owen Wincig, Esq.
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R14 Recording

Each party agrees not to record this Lease, but each party hereto agrees on request by the other, to execute a Notice or Short Form of this Lease in recordable form in accordance with applicable statutes, and reasonably satisfactory to Owner's and Tenant's attorneys. In no event shall such document set forth the rental or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

R15 Subordination and Rights of Mortgagee

Tenant agrees at the request of Owner to subordinate this Lease to any institutional first mortgage or deed of trust placed or to be placed upon the Demised Premises by Owner. Owner shall deliver to Tenant an agreement by the holder of such mortgage in recordable form, binding upon the successors and assigns of the parties thereto, by the terms of which such holder agrees not to disturb the possession and other rights of Tenant under or pursuant to this Lease during the Lease Term, so long as Tenant continues to perform its obligations hereunder and in the event of acquisition of title, or coming into possession, by said holder through foreclosure proceedings or otherwise, to accept Tenant as Tenant of the Demised Premises under the terms and conditions hereunder and to assume and perform all of Owner's obligations hereunder.

R16 Consent

Where pursuant to the terms of this Lease, or in connection with the administration of the Lease, the consent, approval, judgment, satisfaction or similar exercise of discretion of or by one party shall be required, requested or appropriate, such party covenants and agrees that its consent, approval, judgment, satisfaction or similar exercise of discretion shall not be unreasonably withheld, delayed or conditioned, and shall not be charged for beyond actual and reasonable out-of-pocket expenses incurred by Owner.

R17 Actions of Owner

Whenever Owner shall enter, or perform any work in or about the Demised Premises, such entry shall be made, and such work shall be performed, to the extent practicable, without interfering with the conduct of Tenant's business.

R18 Damages

In determining any damages hereunder, each party shall use commercially reasonable efforts to mitigate its damages.

R19 Authority

The individuals executing this Lease hereby represent that they are empowered and duly authorized to so execute this Lease on behalf of the parties they represent.

R20 Mutuality of Lease Provisions

All provisions of said Lease relating to (i) payment of attorneys' fees, (ii) effect of waivers (or lack of waivers), (iii) delays ("force majeure"), and (iv) indemnification and/or exculpation of Owner, shall be deemed mutual, Tenant having the same rights with respect thereto as Owner.

R21 Powers of Attorney

Any and all powers of attorney or other such rights granted by Tenant to Owner, together with all self-help provisions to enter onto the Demised Premises and eject or exclude Tenant granted to the Owner, are hereby deleted therefrom.

R22 Plate Glass

Tenant is permitted to self-insure plate glass.

R23 Warranties

Owner represents and warrants that the bathrooms, HVAC system, plumbing system and electrical system (other than exterior lighting timers) will be in good working order at date of delivery of the Demised Premises and that the roof and basement will be free of leaks and the sidewalk free of repair and that the Owner has not received any notices of any violations of the applicable building code. The air conditioning unit which is presently installed in the Demised Premises is the property of the Owner. Tenant is hereby granted the right to use said equipment and is required to keep it in good repair. It is understood that during the three (3) months commencing from the rent commencement date of the Lease, Owner will pay for all costs of repairs and replacements of the air conditioning equipment; thereafter Tenant will pay all costs of repairs and replacements of the air conditioning equipment.

R24 Owner represents that it is fee Owner of the Demised Premises.

OWNER:

RESTFUL FURNITURE CORPORATION

By: 

Name: Irwin Horwitz

Its: President

TENANT:

HARTSDALE CONVERTIBLES, INC.

By: 

Name: Edward B. Seidner

Its: Executive Vice-President