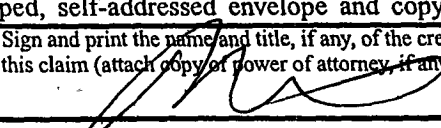


UNITED STATES BANKRUPTCY COURT <u>Northern</u> DISTRICT OF <u>Illinois</u>		PROOF OF CLAIM
Name of Debtor K-Mart Corporation, et al.		Case Number 02-B02474
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (The person or other entity to whom the debtor owes money or property): South Willow Properties, LLC		<div style="writing-mode: vertical-rl; transform: rotate(180deg);"> FILED UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ILLINOIS MAR 20 2002 KENNETH S. GARDNER MAILROOM - MM </div>
Name and address where notices should be sent: c/o Brookhill Management Corporation 501 Madison Avenue, 18th Floor New York, New York 10022 Attn: Robert W. LoSchiavo, Esq. Telephone number: (212) 753-3123		
Account or other number by which creditor identifies debtor: 03-00ANC-1 KMART 3		
<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.		Check here if this claim <input type="checkbox"/> replaces a previously filed claim, dated: _____ <input type="checkbox"/> amends
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other <u>Pre-petition additional rent</u>		
<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: _____ Unpaid compensation for services performed from _____ to _____ (date) (date)		
2. Date debt was incurred: July 1, 1974 and July 1, 2001		3. If court judgment, date obtained:
4. Total Amount of Claim at Time Case Filed: \$ <u>99,689.21</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). <small>*Amounts are subject to adjustment on 4/1/01 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		THIS SPACE IS FOR COURT USE ONLY 3-20-02 785 SM
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		
9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		
Date 3/19/02	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): 	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

**K-Mart Corporation #3087
South Willow Properties
Pre-Petition Schedule**

Description	Amount
2nd Half Real Estate Tax Billing 7/1/01 - 12/31/01	\$82,880.71
2001 Common Area Maintenance Billing	<u>16,808.50</u>
	<u>\$99,689.21</u>

K-Mart

Parties

THIS LEASE made and entered into as of this 1st day of July, 1974 between MANCHESTER PROPERTY GROUP, a partnership organized under the laws of the State of New York, having a mailing address c/o corporation having its principal office at Bristol Development Corp., 505 Park Avenue, New York, N.Y. 10022, (herein referred to as "Landlord"), and S. S. KRESGE COMPANY, a Michigan corporation having its principal office at 3100 West Big Beaver Road, Troy, Michigan, 48061 (herein referred to as "Tenant").

WITNESSETH: That in consideration of the rents, covenants and conditions herein set forth Landlord and Tenant do hereby covenant, promise and agree as follows:

Demised Premises

1. Landlord does demise unto Tenant and Tenant does take from Landlord for the term hereinafter provided, and any extension thereof, the following property: Tenant's completed buildings (designated K mart and K mart-Food), together with site improvements to be constructed, as hereinafter specified, by Landlord at its expense on the land comprising not less than fourteen (14) acres described in Exhibit "A", attached hereto and made a part hereof, situated in the Town of Manchester, County of Hillsborough, State of New Hampshire, said building or buildings to be in the locations depicted in Exhibit attached hereto and made a part hereof, and of the following dimensions:

K MART UNIT: 401'4" x 209'9" (84,180 sq. ft.)

GARDEN SHOP: 102' x 51'3" (irregular)

Said completed buildings and site improvements, together with the licenses, rights, privileges and easements set forth in Article 9 hereof, shall be hereinafter collectively referred to as the "demised premises".

Term

2. The term of this lease shall commence upon the "date of occupancy by Tenant", which term is defined in Article 10 hereof, and shall terminate upon such date as shall be twenty-five (25) years from the last day of the month in which said date of occupancy by Tenant shall be provided, however, the term of this lease may be extended as provided in Article 12 hereof. The "lease term", as used in this lease, shall be the term of this lease and any extension thereof as provided in said Article 12.

Annual Minimum Rental

3. Tenant shall, during the lease term, pay to Landlord, at such place as Landlord may designate in writing from time to time, an annual minimum rental of TWO HUNDRED THOUSAND FIVE HUNDRED and no/100-----DOLLARS (\$ 267,500) unless abated or diminished as hereinafter provided, in equal monthly installments on the first day of each month, in advance, commencing upon the first day of the lease term; provided, however, if the first day of the lease term shall not be the first day of a calendar month, then the first month shall be prorated upon a daily basis.

Additional
Rental

4. In addition to the aforesaid annual minimum rental, with respect to any lease year during the lease term in which Tenant's "gross sales", as hereinafter defined, shall exceed the sum of EIGHT MILLION SIX HUNDRED TWENTY-FIVE THOUSAND and no/100-----
-----DOLLARS (\$ 8,625,000.00), Tenant shall pay to Landlord as additional
rental an amount equal to one percent (1%) of gross sales exceeding EIGHT MILLION SIX
HUNDRED TWENTY-FIVE THOUSAND and no/100-----DOLLARS
(\$8,625,000.00) up to but not in excess of

DOLLARS (\$-----)
and Tenant shall pay to Landlord as additional rental an amount equal to five-tenths of one percent
(.5%) of gross sales for such lease year exceeding

up to but not in excess of

DOLLARS (\$-----)

DOLLARS (\$-----):

thirtieth (30th)

Said additional rental shall be paid on or before the twenty-first (21st) day following the end of each "lease year". For the purposes of this lease, a "lease year" shall be each successive period of twelve (12) consecutive calendar months from the last day of the month in which said lease term shall commence. Sales for any period preceding the first lease year shall be included in gross sales reported for the first lease year. Tenant shall, on or before the twenty-first (21st) day following the end of each lease year or "lesser period", deliver to Landlord a statement signed by an officer of Tenant certifying the true amount of the gross sales for such lease year or lesser period. The term "lesser period", as used herein, shall be any period beginning on the first (1st) day of any lease year and ending, by reason of the termination of this lease, prior to the end of such lease year. In the event that a period of more or less than twelve (12) months shall be so required to be included in any such statement, then the rental amounts referred to in the preceding paragraph shall be proportionately increased or decreased, as the case may be.

Should Tenant at its option operate its fountain and lunch counter prior to opening for other business, such operation shall not be an acceptance of the demised premises, or an acknowledgment that the representations and warranties of Article 11 shall have been fulfilled, or an opening for business under Article 10 or any other provision of this lease, but sales from such operation shall be included in Tenant's reported gross sales for the first lease year.

Landlord or its agent may inspect Tenant's record of gross sales annually, provided such inspection shall be made at Tenant's principal office within six (6) months after the statement of sales shall be delivered to Landlord and shall be limited to the period covered by such statement. Except to the extent that disclosure shall be required for any bona fide sale or mortgage of demised premises or for legal proceedings in any court, at law or in equity, Landlord shall hold in confidence sales figures or other information obtained from Tenant's records.

The term "gross sales", as used herein, shall be the total sales of merchandise or services made by Tenant or any occupant of demised premises, whether wholesale or retail, cash or credit (including merchandise ordered on demised premises and delivered from another place) and shall include sales made from trucks, trailers, vans or other temporary facilities used by Tenant on any part of the lot described in Exhibit "A", except that the following shall be excluded:

- (a) Sales of merchandise subsequently returned for refund or credit, merchandise transferred to a warehouse or another store of Tenant, discounts on merchandise which shall be allowed to employees of Tenant, or merchandise which shall be issued in redemption of trading stamps, if any, which shall have been issued free of charge to Tenant's customers at the time of sale of other merchandise or services;
- (b) Any and all taxes levied upon, assessed against, or measured by the receipt or purchase of merchandise by any occupant of said demised premises, and any and all occupational taxes and other taxes levied upon, assessed against, based upon, or measured by (i) the occupant's gross receipts, or any part thereof, or (ii) the sale or sales price of merchandise and services, or either, and which shall be payable by such occupant, whether or not collected by such occupant from its customers as reimbursement or as agent of the taxing authority, and whether or not the same shall be commonly known as a sales tax, use tax, retailers' occupational tax, gross receipts tax or excise tax; provided, however, said taxes to be excluded from gross sales shall not include any net income tax, franchise tax, or any other tax not levied upon or computed upon gross sales or gross receipts, or any part thereof; provided, further, said taxes to be excluded from gross sales shall be excluded regardless of whether imposed under any existing or future orders, regulations, laws, statutes or ordinances;

Additional
Rental
(cont'd)

- (c) Receipts from cigarettes, lockers, stamp machines, public telephones, pay toilets, "kiddie rides", money orders and all licenses sold to the public;
- (d) Service and interest charges for time payment accounts and charge accounts;
- (e) All sales of merchandise or services made by any supermarket grocery store which shall occupy any portion or portions of demised premises, provided that the aggregate area of said portion or portions shall not exceed ~~() square feet of floor area~~;
- (f) All sales of automotive gasoline or diesel fuel.

New Build-
ing by
Landlord

5. Tenant's said buildings and site improvements shall be completed and delivered to Tenant promptly and with due diligence, giving consideration to scarcity of materials, strikes, lockouts, fire or other casualty, governmental restrictions and regulations, and construction delays; and Landlord warrants that a general contract for construction of said buildings and improvements referred to in Article 11 hereof shall be let, rough site grading shall be completed and foundations and footings commenced not later than October 1, 1974. If for any reason whatever Landlord shall fail to comply fully with this warranty, Tenant shall have, in addition to other remedies which may be available to it by law or otherwise, the option to terminate this lease by notice to Landlord; provided, further, in the event that, regardless of the reason therefor, said buildings and site improvements shall not have been completed in accordance with Tenant's typical plans and specifications and possession thereof tendered to Tenant prior to October 1, 1975, then Tenant shall, at any time thereafter, have the further option of terminating this lease by notice to Landlord. Notwithstanding anything to the contrary herein contained, in the event that the lease term shall not have commenced prior to said date as shall be seven (7) years from the date of this lease, then this lease shall be automatically terminated without further act of either party hereto.

Plans and
Specifi-
cations

6. Tenant's said buildings and site improvements shall be constructed by Landlord, at its sole cost and expense, in accordance with working plans and specifications prepared by Landlord which shall, with respect to standards of construction and division of responsibility for supplying materials and equipment, substantially satisfy the provisions of Tenant's typical store plans and specifications, prior receipt of which Landlord hereby acknowledges and which are identified as Set No. 2238 containing such additions, changes and modifications as are more particularly set forth in those certain supplemental letters dated August 2, 1973, February 8, 1974 and March 25, 1974, addressed to Bristol Development Corp. and signed by James A. Kilgore, AIA, Manager, Design Division of Tenant's Construction Department, copies of which are attached hereto and marked Exhibit C, provided Landlord's failure or inability to secure permits for specified building signs and/or pylon signs from appropriate governmental authority or authorities shall not be deemed a default on the part of the Landlord hereunder so as to cause a termination of this Lease or give rise to any action on the part of the Tenant against the Landlord by reason thereof. It is also understood and agreed that Landlord is not required to appeal any adverse decision of any governmental authority having jurisdiction of any of the foregoing.

Said typical plans and specifications are subject to the following exceptions and such other deviations as may be approved in writing by Tenant's Construction Department:

- (a) Such modifications of arrangement of space, location of entrances, exits, and columns and other structural members as shall be indicated on a store layout drawing which shall be prepared by Tenant and be delivered to Landlord within thirty (30) days after receipt of Landlord's written request therefor, which request shall be accompanied by preliminary building outlines, together with any available elevations and sections;
- (b) Changes of type and standards of construction and of arrangement to the extent as shall be required by applicable laws, codes or ordinances.

Plans and Specifications (cont'd)

Said working plans and specifications shall be submitted to Tenant for approval prior to commencement of construction and such approval shall not be unreasonably withheld. Within sixty (60) days after receipt of such working plans and specifications Tenant shall, in writing, inform Landlord of required revisions or corrections thereto, and Landlord shall make such revisions or corrections and resubmit them for Tenant's final approval. In the event Tenant shall not inform Landlord of such desired revisions or corrections within said sixty (60) days, said working plans and specifications shall be deemed approved and accepted for the purposes hereof.

Guarantee of Materials

Said typical plans and specifications, store layout drawing and working plans and specifications, as approved by Tenant, shall constitute a part of this lease.

7. Landlord shall unconditionally guarantee all work performed by Landlord, or at its expense, in the construction of Tenant's buildings and site improvements against defective workmanship and materials either for the period of one (1) year from the date of completion thereof or for the period of any guarantee therefor given Landlord, whichever period shall be the longer.

Advance Possession for Fixturing

8. For a period of four (4) weeks prior to completion of Tenant's buildings by Landlord, Tenant shall have the privilege, rent free, of entering said buildings for installing storage bins, storing merchandise, and other purposes not creating unreasonable interference with the work of Landlord. Such entry shall not be construed as an acceptance thereof by Tenant under the provisions of this lease, or as a waiver of any of the provisions hereof.

Parking and Other Common Areas

9. Prior to the date of commencement of the lease term, Landlord shall construct (as hereinafter provided) the sidewalks, service drives, parking aisles, driveways, streets and parking areas (all of which shall be hereinafter sometimes referred to as the "common facilities") substantially as shown on Exhibit "B". The aggregate area provided for the parking of automobiles shall, during the lease term, be either in the ratio of ~~one (1) square foot of parking area for each~~ square foot of gross floor area contained in buildings at any time located on site depicted on Exhibit "B" or sufficient to accommodate not less than five hundred forty (540) automobiles on basis of arrangement depicted on Tenant's typical plans, whichever shall be the greater. All sidewalks shall be of concrete construction, and all service drives, parking aisles, driveways, streets and parking areas shall be graded, levelled and paved with concrete or asphalt, and properly marked with painted lines to be repainted annually, for the orderly distribution of automobiles. Landlord covenants, represents and warrants that, during the lease term, there shall be adequate sidewalks, driveways and roadways for automotive and pedestrian ingress and egress to and from Tenant's buildings and adjacent public streets and highways. Landlord shall make no charge of any kind or nature for the use of said common facilities or any additions thereto. All of said common facilities, including any signs owned by Landlord, shall be constructed in a workmanlike manner and shall, during the lease term, be maintained by Landlord, at its sole cost and expense, in good order and repair and in an adequate, slightly and serviceable condition. Said maintenance shall include, without limitation, keeping the same reasonably free and clear of foreign objects, papers, debris, obstructions, standing water, snow and ice, and supplying illumination during Tenant's business hours, and a reasonable period prior and subsequent thereto, to a minimum of one and one-half (1½) foot candles measured at ground level, for each square foot of common facilities. To assure the foregoing the Landlord shall cause the common facilities to be thoroughly cleaned not less than once weekly, and more often if necessary, and snow to be promptly removed on every occasion where it impedes the use of said facilities.

Tenant's Customers or Invitees

During the lease term, Landlord shall maintain paved driveways at the rear of Tenant's buildings in order to provide convenient ingress and egress from the delivery or service entrances to adjacent public streets and highways for the purpose of receiving and delivering merchandise and otherwise servicing said buildings. Said driveways shall be of sufficient width so as to permit the passage, unloading and, if necessary, the turning around of trailer trucks and other commercial vehicles.

The term "common areas", as used in this lease, shall include the following: (a) said common facilities indicated on Exhibit "B" and those which shall at any time and from time to time be contained within the site depicted on Exhibit "B" or any future enlargement thereof, (b) areas within the said site which shall be open to the public generally, such as rest rooms and other facilities, if any, and (c) all other areas (except those areas which shall be occupied from time to time by building structures) included within the confines of the land described in Exhibit "A" or any enlargement of said site. Landlord will maintain said "common areas" and the property, if any, between the demised premises and any street or roadway serving demised premises in a reasonably clean and slightly condition and will mow and weed not less than once weekly when necessary.

During the lease term, Landlord shall keep Tenant insured against all statutory and common law liabilities for damages on account of injuries to property or person, including death, sustained by any person or persons while within said common areas, in a policy or policies in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) with respect to injury to any one person and in the amount of One Million Dollars (\$1,000,000) with respect to any one accident or disaster, and in the amount of One Hundred Thousand Dollars (\$100,000) with respect to damage to property; and Landlord shall also indemnify and save Tenant harmless against any such liability. Any such policies shall bear endorsement

Parking
and Other
Common
Areas
(cont'd)

Landlord shall
exercise all
reasonable
efforts to
ensure that no

approval for the erection of the same are obtained from the proper governmental authority or authorities having jurisdiction thereof.

ments to the effect that Tenant shall be notified not less than five (5) days in advance of any modification or cancellation thereof. Copies of such policies, so endorsed, or certificates evidencing the existence thereof, shall be promptly delivered to Tenant upon written request therefor.

Landlord hereby gives and grants unto Tenant, including Tenant's agents, employees, customers, licensees and invitees the full licenses, rights, privileges and easements to use said common areas, in common with Landlord and other tenants, if any, of the land described in said Exhibit "A", and their respective agents, employees, customers, licensees and invitees. No persons other than those described in the preceding sentence of this paragraph shall be permitted to park upon or exercise any other rights over any of the parking areas of said site. In the event that unauthorized persons, including tenants or invitees of tenants occupying buildings now, or at any future time located beyond the limits of the land described in Exhibit "A", utilize said parking areas for parking or other purposes to an extent which shall be objectionable to Tenant, Landlord shall, upon written request by Tenant, take whatever action as shall be so requested to prevent said unauthorized utilization, including the erection of fences or other barricades, provided the erection of any such fences or barricades shall be limited to the boundary lines of the Premises. Easement areas A & B, and Parcel 2, as depicted on Exhibit "B" and further provided that Tenant may, at its election, from time to time, utilize a portion of the common areas for commercial or circus-type shows and entertainment, outdoor shows, home shows, automobile shows or other types of uses which in Tenant's judgment tend to attract the public. Tenant shall give Landlord notification of such intended use a reasonable time in advance thereof, and on request supply Landlord with reasonable proofs of adequate insurance or indemnification against injuries to property or person, including death, sustained in connection therewith. In addition, Tenant shall be responsible for any physical damage to said common areas resulting from said use. Rent if any from such use shall be included as part of gross sales under Article 4 hereof. (Continued on Rider)

Store
Opening

10. The term "date of occupancy by Tenant", as used in this lease, shall be the first to occur of the following two dates: (a) the date upon which Tenant shall open for business, or (b) the date which shall be sixty (60) days (plus a period of time equal to any delays due to conditions beyond Tenant's control) after the date upon which (i) Tenant's buildings and site improvements shall be completed in accordance with said working plans and specifications and the possession thereof shall be tendered to Tenant, and (ii) all of the representations and warranties set forth in Article 11 shall be fulfilled; except, however, notwithstanding anything to the contrary in this lease contained, in the event said date of occupancy shall occur during the period between November 1 and the last day of February, the lease term shall not commence until March 1 unless Tenant shall elect to open for business prior to such date. Tenant shall have the option to open for business prior to the completion of the matters set forth in subdivisions (i) and (ii) of this Article 10, and in the event of the exercise of such option, Landlord shall complete said buildings and site improvements as expeditiously as possible, provided, however, if Landlord shall have failed to complete said buildings and improvements according to the said working plans and specifications within ninety (90) days after Tenant opens for business, Tenant shall thereafter at any time be privileged, but not obligated, to complete, correct or remedy in all or part, any such deficiency, and the cost thereof shall be deducted from the rentals due under this lease, without waiver of Tenant's other remedies hereunder.

Landlord's
Representations
and
Warranties

11. Landlord represents, warrants and covenants that it shall, prior to commencement of the lease term, complete the buildings and site improvements substantially in accordance with the plan depicted on said Exhibit "B", including completion of said common facilities in accordance with the provisions of Article 9 hereof. Landlord further covenants that it will not erect any building or other structures on the land described in Exhibit "A" except as shown on said Exhibit "B".

In the event Landlord obtains a traffic signal light where indicated on Exhibit "B", Tenant agrees to reimburse Landlord its pro rata share of the cost of installation thereof, which said share of costs will be based upon the ratio that the ground floor area of Tenant's building (84,180 square feet) bears to the total gross ground floor area contained in all buildings actually erected on any portion of the land described in Exhibit "A" and depicted on Exhibit "B". However, in the event that such traffic signal light is not so obtained, the same shall not be deemed a default under this Lease and the alternate control depicted on said Exhibit "B" shall be deemed acceptable.

Notwithstanding the provisions of Article 10 or any other provision of this lease, the lease term shall commence and said annual minimum rental, and other charges payable under this lease, shall commence to accrue until the foregoing representations and warranties shall have been fulfilled; however, in the event that Tenant shall elect to open for business before the Landlord fulfills the foregoing representations and warranties, the term of this lease shall commence, and Tenant shall not be obligated to pay the annual minimum rental or the additional rental; provided, in lieu thereof, Tenant shall pay monthly in arrears one per cent (1%) of said gross sales and shall continue said payment until Landlord's said representations and warranties shall be fulfilled, at which time Tenant shall commence payment of the rental as set forth in Articles 3 and 4 hereof.

In the event Landlord's said representations and warranties shall not be fulfilled within twelve (12) months after such date as Tenant shall open for business, Tenant may notify Landlord in writing and Landlord shall have ninety (90) days within which to fulfill said representations and warranties. If said representations and warranties shall not have been fulfilled within said ninety (90) days, Tenant thereafter shall have the option of terminating this lease by notice to Landlord, which notice shall state an effective date of termination of not less than sixty (60) days from the date of notice, right to fulfill same and to deduct the cost thereof from the amount due under this Lease as provided in Article 10 hereof. (n) Tenant shall have the option to extend the term of this lease for an additional period of years upon the same terms and conditions of this lease, which option shall be exercised by Landlord not less than six (6) months prior to expiration of the term hereof.

(b). If Tenant shall have exercised the foregoing option, it shall have the option further to extend the term of this lease for an additional period of five (5) years upon the same terms and conditions of this lease, which option shall be exercised by notice to Landlord not less than six (6) months prior to the expiration of such extended term.

(c). If Tenant shall have exercised the foregoing options, it shall have the option further to extend the term of this lease for an additional period of five (5) years upon the same terms and conditions of this lease, which option shall be exercised by notice to Landlord not less than six (6) months prior to the expiration of such further extended term.

(d). If Tenant shall have exercised the foregoing options, it shall have the option further to extend the term of this lease for an additional period of five (5) years upon the same terms and conditions of this lease, which option shall be exercised by notice to Landlord not less than six (6) months prior to the expiration of such further extended term.

(e). If Tenant shall have exercised the foregoing options, it shall have the option further to extend the term of this lease for an additional period of five (5) years upon the same terms and conditions of this lease, which option shall be exercised by notice to Landlord not less than six (6) months prior to the expiration of such further extended term.

(f). Regardless of the exercise or nonexercise by Tenant of any or all of the foregoing options, the term of this lease shall have, unless the last day of the lease term shall be January 31 of any year, the term of this lease for such period of time as the last day of the term of this lease to be the January 31 next succeeding the date upon which the term of this lease would expire but for the exercise of this option. This option shall be exercised by notice to Landlord not less than six (6) months prior to the expiration of the term of this lease or its extension thereof. (See Rider)

Anything in this lease contained to the contrary notwithstanding, and without in any way affecting or limiting any of the rights, privileges, options or estates granted to Tenant hereunder, it is agreed that if the Landlord, at any time during the term of this lease or any extension thereof, receives one or more bona fide offers from third parties to purchase the demised premises or any part thereof, which the demised premises are a part, and if any such offer is acceptable to the Landlord, the Landlord agrees to notify Tenant in writing, giving the name and address of the offeror and the terms and conditions of such offer, and Tenant shall have thirty (30) days from and after the date of such notice from Landlord in which to elect to purchase the property for the consideration offered in the bona fide offer. If Tenant does not elect to purchase the property, and Landlord sells the property, the purchaser shall take the property, subject to all the terms, provisions and conditions of this lease, including this Article 10, and Tenant's obligations under this lease as against the new owner shall not be lessened or diminished by change of ownership. Tenant's failure at any time to exercise its option under this Article shall not affect this lease or the continuance of Tenant's rights and options under this Article.

Repairs
and Maintenance

14. Tenant shall make and pay for all replacement of plate glass and all nonstructural repairs and replacements to the interior of Tenant's buildings which it deems necessary to keep the premises in a good state of repair, but in no event shall Tenant be obligated to make repairs and replacements which Landlord shall be required to make under any provision of this lease or which shall be necessitated by Landlord's negligence, default or failure to repair. Landlord shall make and pay for all repairs and replacements (except those which Tenant shall be specifically obligated to make under the provisions of this Article and those due to Tenant's negligence) to said buildings which shall be necessary to maintain the same in a safe, dry and tenantable condition, and in good order and repair. Notwithstanding anything to the contrary herein contained, Tenant shall not be required to make any repairs or replacements (or be liable for the cost thereof) which shall be necessitated by any damage or destruction with respect to which Landlord shall be insured or against which Landlord shall be required by the terms of this lease to insure, but Landlord shall make all such repairs or replacements. (Continued on Rider)

In the event buildings or improvements constituting demised premises or a portion thereof shall be rendered unusable due to Landlord's default or negligence with respect to required repairs, there shall be a just and equitable abatement of said annual minimum rental and all other charges payable under this lease until said premises shall be made usable. Emergency repairs which shall be Landlord's responsibility hereunder, and which shall be necessary to protect the buildings or contents and or to keep the common areas in a neat, clean, safe and orderly condition may be made by Tenant without notice to Landlord, and the cost of such repairs not to exceed One Thousand Dollars (\$1000.00) in any one instance, may be deducted by Tenant from rentals subsequently accruing hereunder.

Alterations
and
Additional
Construction

15. Tenant may, at its own expense, from time to time make such alterations, additions, changes, structural or otherwise, in and to its buildings as it may deem necessary or suitable; provided, however, Tenant shall obtain Landlord's prior written consent to plans and specifications for structural alterations, additions or changes; provided, further, Landlord shall not withhold its consent if the structural strength of the building will not be impaired by such work. The term "structural changes", as used herein, shall not include moving of stud partitions, minor plumbing and electrical work, modification and rearrangement of fixtures or other minor changes. Landlord, at Tenant's expense, shall cooperate with Tenant in securing building and other permits or authorizations required from time to time for any work permitted hereunder or installations by Tenant. (Continued on Rider)

Tenant may, at its own expense, at any time erect or construct additional buildings or structures on any portion of the "common facilities" areas as defined in Article 9 and depicted on Exhibit A; provided, however, gross sales made in or from said additions shall be excluded from gross sales as defined in Article 4 of this lease and provided further, Tenant shall reimburse Landlord for any estate taxes imposed on said additions or new construction, which taxes are solely attributable thereto, and Tenant shall reimburse Landlord for any increase in insurance premiums attributable thereto. Tenant shall also be solely responsible for exterior and interior repairs thereto, except those necessitated by fire or casualty for which Landlord is obligated to insure. In the event Tenant constructs any such additions or new construction, Landlord shall not be obligated to furnish additional parking space in substitution of areas thereby built over, nor shall the floor area thereof be utilized in any computation with respect to required ratio of building area to parking area under said Article 9, and the number of parking spaces required thereunder shall be reduced by the number of spaces covered by such additional buildings or structures.

Utilities

16. Tenant shall promptly pay for all public utilities rendered or furnished to Tenant's buildings during the lease term, including water, gas and electricity, provided separate meters shall be installed for Tenant. Landlord covenants, represents and warrants that, during the lease term, said buildings shall at all times be connected to electric, water and gas lines of an adequate source of supply, and to storm and sanitary sewer systems of adequate capacity.

Land

Landlord may provide a disposal or septic tank system in lieu of public sanitary sewer, subject to Tenant's written approval of plans and specifications and Landlord's continuing obligation to erect and maintain said system at all times in good and serviceable condition during the full term of the lease or any extension and at its sole expense. Sewer charges or sewer taxes, regardless of the manner billed or assessed, shall be paid by Landlord; Tenant. Tenant shall pay special district supervisory charges, if any.

Governmental
Regulations

17. Tenant shall observe and comply with all rules, orders and regulations of the federal, state and municipal governments or other duly constituted public authority affecting said buildings, including the making of nonstructural alterations, insofar as they are due to Tenant's occupancy; provided, however, in the event such rules, orders and regulations shall either (a) require structural alterations including, but not limited to the erection of a fire escape or exit, installation of a sprinkler system or fire preventive device of a structural nature, or (b) require nonstructural changes which would be required irrespective of the nature of the tenancy, then, in either such event, the same shall be complied with by Landlord at its sole expense.

Fire

18. From and after the date on which Tenant shall be privileged to enter upon demised premises for the purposes specified in Article 8 hereof, Landlord shall insure the buildings depicted on Exhibit "B", including Tenant's buildings, against damage or destruction by fire and other casualties insured under a standard extended coverage endorsement. Said insurance shall be in an amount equal to not less than eighty per cent (80%) of the insurable value of the permanent improvements thereof. All such policies shall bear endorsements to the effect that Tenant shall be notified not less than five (5) days in advance of modification or cancellation thereof and that the assured has waived right of recovery from Tenant. Copies of such insurance policies or certificates evidencing the existence thereof, so endorsed, shall be promptly delivered to Tenant upon written request therefor. Irrespective of the cause thereof, Tenant shall not be liable for any loss or damage to said buildings resulting from fire, explosion or any other casualty.

her Land-
nor.

irable
er Ten-
s build-
or
Hundred
y Thou-
dollar
0,000.00

In the event that, at any time during the lease term, the permanent improvements then constituting Tenant's buildings and site improvements shall be damaged or destroyed (partially or totally) by fire, the elements or any other casualty, Landlord shall, at its expense, promptly and with due diligence repair, rebuild and restore the same as nearly as practicable to the condition existing just prior to such damage or destruction; provided, however, if as a result of any such damage or destruction during the last two (2) years of the lease term, Tenant's fixtures, equipment or other property shall be damaged or destroyed in an amount exceeding Twenty-five Thousand Dollars (\$25,000.00), then either party may terminate this lease as of the date of such damage or destruction by giving written notice to the other party within thirty (30) days thereafter and Tenant shall have an additional thirty (30) days, rent free, within which to remove its property from the demised premises. Notwithstanding any such termination of this lease by Landlord as provided in this Article, Tenant shall have the right to exercise any option to extend the term hereof in accordance with the provisions of Article 12 within thirty (30) days after the date of the receipt of Landlord's notice of termination, and, upon the exercise of any such option (other than the option set forth in subparagraph (f) of Article 12) by Tenant, then this lease shall continue in full force and effect despite such notice of termination by Landlord and Landlord shall repair, rebuild and restore the said permanent improvements as above provided. In the event that this lease shall be terminated as above provided, all unearned rent and other charges paid in advance shall be refunded to Tenant.

whether due to an insurable or non-insurable cause. During any period commencing upon the date of any such damage or destruction and ending upon the "date of reoccupancy by Tenant", the annual minimum rental and any other charges payable under this lease shall abate in the proportion that the part of Tenant's buildings which shall be untenantable shall bear to the whole. The term "date of reoccupancy by Tenant", as used here, shall mean the first to occur of the following two dates: (a) the date upon which Tenant shall open for business that part of Tenant's building rendered untenantable by such damage or destruction, or (b) the date which shall be sixty (60) days (plus a period of time equal to any delays due to conditions beyond Tenant's control) after the date of completion of the repairs, rebuilding and restoration required by Landlord herein.

In the event that, at any time during the lease term except the last two (2) years thereof, any building or buildings within the site depicted on Exhibit "B", other than Tenant's buildings, shall be damaged or destroyed (partially or totally) by fire, the elements or any other casualty, Landlord shall, at its expense, promptly and with due diligence repair, rebuild and restore the same as nearly as practicable to the condition existing just prior to such damage or destruction; provided, however, during such period of time (including the last two (2) years of the lease term) that of (a) twenty per cent (20%) or more of the gross rentable floor area of said buildings shall be so rendered untenantable, or (b) any of the stores of tenants specifically required to be open for business prior to Tenant's opening for business (by terms of Article 11) shall not be open for business because of such damage or destruction, then the annual minimum rental for such period of time shall be abated, whether or not Tenant's buildings shall be damaged or destroyed and during such period Tenant shall pay monthly in arrears one per cent (1%) of its gross sales, subject to such reasonable modifications as may be necessary to conform to such reconstruction. The then existing retail practices in the area. (Continued on next page)

Eminent
Domain

19. In the event all of Tenant's buildings shall be expropriated by public or quasi-public authority, this lease shall terminate as of the date Tenant shall be deprived of the physical possession thereof.

Fifteen per cent (15%)

In the event that less than the whole, but more than ten per cent (10%) of Tenant's buildings shall be expropriated by public or quasi-public authority, Tenant shall have the option to terminate this lease as of the date Tenant shall be dispossessed from the part so expropriated, by giving notice to Landlord of such election so to terminate within ninety (90) days from the date of such dispossession.

**Eminent
Domain
(cont'd)**

In the event of an expropriation of any portion of Tenant's buildings, if this lease shall not be terminated as hereinabove provided, it shall continue as to that portion of the said buildings which shall not have been expropriated or taken, in which event Landlord shall, at its sole cost and expense, promptly and with due diligence restore said buildings as nearly as practicable to complete units of like quality and character as existed just prior to such expropriation. The annual minimum rental or other charges shall abate during the period of demolition and restoration, and thereafter the annual minimum rental and minimum basis of sales shall be reduced in the proportion the ground floor area of the part of Tenant's buildings so expropriated shall bear to the total ground floor area of said buildings prior to such expropriation.

Fifteen per cent (15%)

Without limiting the foregoing, in the event that more than ten per cent (10%) of the land described in Exhibit "A" shall be expropriated by public or quasi-public authority, Tenant shall have the option to terminate this lease as of the date possession of the land shall be taken by such authority, by giving notice to Landlord of such election within ninety (90) days thereafter; provided, however, that said termination by Tenant shall be null and void if, within ninety (90) days following the date of acquisition of said land shall be so taken, Landlord shall substitute equivalent and similarly improved land contiguous to and properly integrated with the remainder of the site depicted on Exhibit "A". Notwithstanding any other provision of this lease, in the event that more than ten per cent (10%) of the aggregate number of square feet of ground floor area in the buildings located on said site shall be expropriated by public or quasi-public authority, Tenant may terminate this lease at any time following such expropriation. Any such termination shall be effective as of the date of notice to Landlord. Landlord shall immediately notify Tenant of any notice of any such proposed expropriation.

In the event this lease shall be terminated pursuant to this Article, any annual minimum rental and other charges paid in advance shall be refunded to Tenant, and Tenant shall have an additional sixty (60) days, rent free, within which to remove its property from the demised premises. In the event that at the time of any expropriation of Tenant's buildings, Tenant shall not have fully amortized its expenditures which it may have made on account of any improvements, alterations or changes to the buildings, Landlord shall assign to Tenant so much of any award payable as a result of such expropriation as shall equal the unamortized portion of Tenant's said expenditures. Said unamortized portion of Tenant's said expenditures shall be determined by multiplying such expenditure by a fraction, the numerator of which shall be the number of remaining years of the lease term at the time of such expropriation and the denominator of which shall be the number of remaining years of the lease term at the time such expenditures shall have been made plus the number of years for which the lease term shall have been subsequently extended. (Continued on Rider)

**Assignment and
Subletting**

20. The premises hereby demised shall not be used for any unlawful purpose. Tenant shall not assign this lease or sublet the whole or any part of said demised premises, but if it does so without Landlord's consent, it shall remain liable and responsible under this lease. (See Rider)

Signs

21. The demised premises shall be referred to by only such designation as Tenant may use. Landlord expressly recognizes that the service mark and trademark "K mart" is the exclusive property of Tenant, and Landlord agrees that it shall not either during the term of this lease or thereafter directly or indirectly contest the validity of said mark "K mart", or any of the regulations pertaining thereto in the United States or elsewhere, nor adopt or use said mark or word, mark or designation which is in any aspect similar to the mark of Tenant. Landlord agrees that it will not at any time do or cause to be done any act or thing, directly or indirectly, contesting or in any way impairing or tending to impair any part of the Tenant's right, title or interest in the aforesaid mark, and Landlord shall not in any manner represent that it has ownership in the aforesaid mark or regulations therefor, and specifically acknowledges that any use of the mark or word to this lease shall not create in Landlord any right, title or interest in the aforesaid mark.

Tenant shall have the option to erect at its sole cost and expense upon any portion of the premises described in Exhibit "A", one or two pylon-type signs. Any such sign shall be of such height and dimensions as Tenant shall determine and shall bear such legend or inscription advertising the store as Tenant shall determine. Tenant shall have the option to utilize the lighting structure on the parking lot for advertising purposes by attaching, or causing to be attached, signs advertising all products and services as Tenant shall elect. (See Rider)

Landlord shall not permit any other advertising signs, billboards or posters to be displayed on any portion of the premises described in Exhibit "A" hereto, excepting flat wall signs which may

Signs
(cont'd)

placed on stores, if any, now depicted on Exhibit "B" or in the future erected on "future building areas" as depicted thereon, providing such signs shall be utilized solely for the purpose of advertising the names of the respective tenants thereof.

Landlord shall not, without Tenant's written consent, at any time utilize the exterior of Tenant's buildings, or the space above, for sign display purposes.

Ingress and
Egress

22. Landlord warrants as a consideration for Tenant entering into this lease it will initially provide and will maintain for the period of this lease and any extension thereof, ingress and egress facilities to public streets and highways in the number and substantially in the locations depicted on Exhibit "B", subject to unavoidable temporary closings or relocations necessitated by public authority or other circumstances beyond Landlord's control, subject to approval of the appropriate governmental authority.

Landlord's
Remedies

23. If the rent reserved in this lease, or any part thereof, shall remain unpaid for a period of thirty (30) days or if Tenant shall be in default under any other provision of this lease and shall remain so for a period of thirty (30) days after notice to Tenant of said nonpayment or other default, then Landlord may, by giving notice to Tenant at any time thereafter during the continuance of such default, either (a) terminate this lease, or (b) re-enter demised premises by summary proceedings or otherwise, expel Tenant and remove all property therefrom, relet said premises at the best possible rent readily obtainable (making reasonable efforts therefor), and receive the rent therefrom; provided, however, Tenant shall remain liable for the equivalent of the amount of all rent reserved herein less the avails of reletting, if any, after deducting therefrom the reasonable cost of obtaining possession of said premises and of any repairs and alterations necessary to prepare it for reletting. Any and all monthly deficiencies so payable by Tenant shall be paid monthly on the date herein provided for the payment of rent. If any default by Tenant (except nonpayment of rent) cannot reasonably be remedied within thirty (30) days after notice of default, then Tenant shall have such additional time as shall be reasonably necessary to remedy such default before this lease can be terminated or other remedy enforced by Landlord. Except for the legal remedy of damages (provided Landlord shall, in all instances, be required to mitigate damages) and the equitable remedy of an injunction, the remedies of Landlord herein shall be exclusive of any other remedies.

Bankruptcy

24. If a petition in bankruptcy shall be filed by Tenant, or if Tenant shall be adjudicated bankrupt, or if Tenant shall make a general assignment for the benefit of creditors, or if in any proceeding based upon the insolvency of Tenant a receiver of all the property of Tenant shall be appointed and shall not be discharged within ninety (90) days after such appointment, then Landlord may terminate this lease by giving notice to Tenant of its intention so to do; provided, however, such bankruptcy, insolvency, an assignment for the benefit of creditors nor the appointment of a receiver shall affect this lease or permit its termination so long as the covenants on the part of Tenant to be performed shall be performed by Tenant or someone claiming under it.

Covenant
of Title

25. Landlord covenants, represents and warrants that it has full right and power to execute and perform this lease and to grant the estate demised herein and that Tenant, on payment of the rent and performance of the covenants and agreements hereof, shall peaceably and quietly have, hold and enjoy the demised premises and all rights, easements, appurtenances and privileges belonging or in any wise appertaining thereto during the lease term without molestation or hindrance of any person whomsoever, and if at any time during the term hereby demised the title of Landlord shall fail or it be discovered that its title shall not enable Landlord to grant the term hereby demised, Tenant shall have the option at Landlord's expense to correct such defect or to annul and void this lease with full reservation of its right to damages, if any. (Continued on Rider)

Landlord further covenants, represents and warrants that it is seized of an indefeasible estate in fee simple in the land described in Exhibit "A" free and clear of any liens, encumbrances, restrictions and violations (or claims or notices thereof) with exceptions as follows:

- (a) Public utility easements not impairing Tenant's use of the demised premises.
- (b) Construction loan mortgage to be hereafter created.
- (c) Permanent loan mortgage to be hereafter created.
- (d) The licenses, rights, privileges and easements to use the common area on the out-parcel designated Parcel 2 depicted on Exhibit B common with Landlord and the Tenants of said out-parcel and their respective agents, employees, customers, licensees and invitees.
- (e) The licenses, rights, privileges and easements to use the aforementioned Easement Area A on said Exhibit B for the purpose of ingress and egress by pedestrians and vehicles from and to the land described in said Exhibit A in common with Landlord and the fee owner of the aforementioned Easement Area A and their Tenants, and their respective agents, employees, customers, licensees and invitees.

Covenant
of Title
(cont'd.)

Landlord shall, without expense to Tenant, and within thirty (30) days after written request by Tenant, furnish (a) a certification by an attorney acceptable to Tenant that Landlord's title is as herein represented and certifying that the premises depicted on Exhibit "B" are within the bounds of the property described in Exhibit "A", (b) a survey by licensed surveyor of the land described in Exhibit "A", and (c) agreements wherein each holder of any lien against the demised premises shall consent to this lease and warrant that Tenant's possession and right of use under this lease in and to the demised premises shall not be disturbed by such holder unless and until Tenant shall breach any of the provisions hereof and this lease or Tenant's right to possession hereunder shall have been terminated in accordance with the provisions of this lease.

Mortgage
Sub-
ordination

26. Upon written request by Landlord, Tenant shall execute and deliver an agreement subordinating this lease to any first mortgage upon the demised premises; provided, however, such subordination shall be upon the express condition that the validity of this lease shall be recognized by the mortgagee, and that, notwithstanding any default by the mortgagor with respect to said mortgage or any foreclosure thereof, Tenant's possession and right of use under this lease in and to the demised premises shall not be disturbed by such mortgagee unless and until Tenant shall breach any of the provisions hereof and this lease or Tenant's right to possession hereunder shall have been terminated in accordance with the provisions of this lease.

Tenant
Indemnifies
Landlord

27. During the lease term, Tenant and its assignees and sublessees shall indemnify and save Landlord harmless against all penalties, claims or demands of whatsoever nature arising from Tenant's use of its buildings, except those which shall result, in whole or in part, and directly or indirectly, from the default or negligence of Landlord.

Tenant's
Right to
Cure
Landlord's
Defaults

28. In the event Landlord shall neglect to pay when due any taxes or any obligations on any mortgage or encumbrance affecting title to demised premises and to which this lease shall be subordinate, or shall fail to perform any obligation specified in this lease, then Tenant may, after the continuance of any such default for seven (7) days after notice thereof by Tenant, (two (2) days with respect to defaults under Article 9 hereof) pay said taxes, assessments, principal, interest or other charges or cure such default, all on behalf of and at the expense of Landlord, and do all necessary work and make all necessary payments in connection therewith, and Landlord shall on demand pay Tenant forthwith the amount so paid by Tenant together with interest thereon at the rate of six per cent (6%) per annum, and Tenant may withhold any and all rental payments and other payments thereafter due to Landlord and apply the same to the payment of such indebtedness. (Continued on Rider)

Provided the holder of a properly recorded first mortgage shall have notified Tenant in writing that it is the holder of such lien on the demised premises and shall so request, Tenant shall, (with respect to taxes or any obligations on any mortgage or encumbrance affecting title to demised premises and to which this lease shall be subordinate) in the event it shall notify Landlord to correct any default, give a similar notice to such holder, and such holder shall be granted sixty (60) days after receipt thereof to correct or remedy such default.

Condition
of
Premises at
Termination

29. At the expiration or earlier termination of the lease term, Tenant shall surrender demised premises, together with alterations, additions and improvements then a part thereof, in good order and condition except for the following: ordinary wear and tear, repairs required to be made by Landlord, and loss or damage by fire, the elements and other casualty or occurrence excepted. All furniture and trade fixtures installed in said buildings at the expense of Tenant or other occupant shall remain the property of Tenant or such other occupant; provided, however, Tenant shall, at any time and from time to time during the lease term, have the option to relinquish its property rights with respect to such trade fixtures (including, but not limited to, air conditioning machinery and lighting fixtures), which option shall be exercised by notice of such relinquishment to Landlord, and from and after the exercise of said option, the property specified in said notice shall be the property of Landlord.

Holding
Over

30. In the absence of any written agreement to the contrary, if Tenant should remain in occupancy of demised premises after the expiration of the lease term, it shall so remain as a tenant from month-to-month and all provisions of this lease applicable to such tenancy shall remain in full force and effect.

Notices

31. Notices required under this lease shall be in writing and deemed to be properly served on receipt thereof if sent by certified or registered mail to Landlord at the last address where rent was paid or to Tenant at its principal office in Troy, Michigan, or to any subsequent address which Tenant shall designate for such purpose. Date of notice shall be date on which such notice is deposited in a post office of the United States Post Office Department.

Captions
and
Definitions

32. Marginal captions of this lease are solely for convenience of reference and shall not in any way limit or amplify the terms and provisions thereof. The necessary grammatical changes which shall be required to make the provisions of this lease apply (a) in the plural tense if there shall be more than one Landlord, and (b) to any Landlord which shall be either a corporation, an association, a partnership, or an individual, male or female, shall in all instances be assumed as though in each case fully expressed. Unless otherwise provided, upon the termination of this lease under any of the Articles hereof, the parties hereto shall be relieved of any further liability hereunder except as to acts, omissions or defaults occurring prior to such termination.

Successors
and
Assigns

33. The conditions, covenants and agreements contained in this lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns. All covenants and agreements of this lease shall run with the land.

Memorandum
of Lease

34. The parties hereto have simultaneously with the execution and delivery of this lease executed and delivered a Memorandum of Lease which Landlord shall at its sole expense cause to be recorded within sixty (60) days following delivery of this lease and returned to Tenant by Landlord within sixty (60) days thereafter.

35, 36 and 37. See Rider Articles 9A, 12A, 14A, 15A, 18A, 19A, 20A, 21A, 25A, 28A, IN WITNESS WHEREOF, the parties hereto have executed these presents in duplicate and affixed their seals hereto as of the day and year first above written.

WITNESSES:

MANCHESTER PROPERTY GROUP, a
New York partnership,
By: SOUTH MANCHESTER PROPERTY
GROUP, INC., Managing General Partner

Grester Robinson
Grester Robinson

By: Harvey L. Pokrass
Harvey L. Pokrass, President

Emily K. Rhodes
Emily K. Rhodes

Attest: Harvey Siegel
Harvey Siegel, Asst. Secretary

W. A. Torphy
W. A. Torphy

S. S. KRESGE COMPANY
By: J. P. Johnson
J. P. Johnson Vice President

Attest: W. B. Canfield
W. B. Canfield Assistant Secretary

APPROVED

WAT

ACKNOWLEDGMENTS

STATE OF NEW YORK
COUNTY OF NEW YORK SS.:

On this 3rd day of July 1974, before me the undersigned officer, personally appeared HARVEY L. POKRASS, the President and duly authorized agent of SOUTH MANCHESTER PROPERTY GROUP, INC., the Managing General Partner of MANCHESTER PROPERTY GROUP, a New York partnership, the said HARVEY L. POKRASS known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Chester Robinson

CHESTER ROBINSON
Notary Public, State of New York
No. 41-2501350
Qualified in Queens County
Certificate filed in New York County
Term Expires March 30, 1976

STATE OF MICHIGAN }
COUNTY OF OAKLAND }SS:

I do hereby certify that on this 19th day of July, 1974, before me, *Beatrice L. McGaw*, a Notary Public in and for the County and State aforesaid, residing therein and duly commissioned, personally appeared John P. Johnson and W. B. Canfield known to me to be the Vice President and Assistant Secretary of S. S. Kresge Company, who, being by me duly sworn, did depose and say that they reside in Grosse Point Woods, Michigan and Grosse Point Farms, Michigan, respectively; that they are the Vice President and Assistant Secretary respectively of S. S. Kresge Company, the corporation described in and which executed the foregoing instrument; that they know the seal of said corporation; that the seal affixed to said instrument is the corporate seal of said corporation; that, on behalf of said corporation and by order of its board of directors, they signed, sealed and delivered said instrument for the uses and purposes therein set forth, as its and their free and voluntary act; and that they signed their names thereto by like order.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires: *Beatrice L. McGaw*
Notary Public, State of Michigan
My Commission Expires Nov. 22, 1975

Beatrice L. McGaw
Notary Public

Acting in Oakland County

S.W.
Kresge

THIS RIDER CONSISTING OF THIRTEEN
PAGES, IS ATTACHED TO AND FORMS
A PART OF THE LEASE ENTERED INTO
BETWEEN MANCHESTER PROPERTY
GROUP, A New York Partnership,
AS LANDLORD, and S. S. KRESGE
COMPANY, AS TENANT

Working and
ner Common
and
continued from
Article 9

9A. Landlord, at its own expense, shall pay for and maintain the common facilities and common areas. Tenant shall pay to Landlord its pro rata share of the cost of maintaining the common facilities and common areas. Tenant's said share of said costs will be based upon the ratio that the ground floor area of Tenant's building (84,180 sq. ft.), bears to the total gross ground floor area contained in all buildings actually erected on any portion of the land described in Exhibit "A" depicted on Exhibit "B".

84,180
130,730 = 60.245%

For purposes of this Article the costs of maintaining the common areas and common facilities shall mean the following: All amounts paid for (1) repair, cleaning, and restriping of parking areas, sidewalks and driveways, including snow removal; (2) maintenance and repair of planted or landscaped areas; (3) lighting of parking lot including repairs and replacements; (4) public liability insurance premiums, and (5) wages and salaries of persons directly and actually performing services described herein.

The costs of maintaining the common area and common facilities shall not include real estate taxes, capital expenses, office overhead, license or permit fees, or rubbish removal for other tenants.

Landlord shall maintain accurate records in respect of the aforesaid costs and shall submit to Tenant a bill for the amount required to be paid by Tenant hereunder within thirty (30) days after the end of each calendar year during the term of this lease. Such bill will set forth the items and amounts charged to Tenant in reasonable detail and will reflect the calculation of Tenant's obligation. Tenant shall pay such amounts within thirty (30) days after receipt of Landlord's billing therefor.

Tenant may, upon seven (7) days notice, have Landlord's records of common area expenditures for the previous calendar year audited by Tenant's accountant; should such audit disclose any overpayment by Tenant, Landlord shall remit said overpayment upon demand.

There is depicted on Exhibit B an easement area denoted as Easement Area A which provides ingress and egress to and from Old South Willow Street. Said Easement Area A is owned by Keller Products, Inc. and pursuant to a certain easement agreement now or hereafter to be entered into, Landlord hereby gives and grants unto Tenant, including Tenant's agents, employees, customers, licensees and invitees the full licenses, rights, privileges and easements to use said Easement Area A in common with Landlord, its successors and assigns and other tenants of the land described in said Exhibit A and their respective subtenants, agents, employees, customers, licensees and invitees for the purposes of ingress and egress by pedestrians and vehicles to and from the land described in said Exhibit A.

There is also depicted on Exhibit B an out parcel denoted as Parcel 2 thereon. Landlord hereby gives and grants unto Tenant, including Tenant's agents, employees, customers, licensees and invitees the full licenses, rights, privileges and easements to use the common areas to be constructed on said Parcel 2, if, as and when the same are actually constructed, in common with Landlord, its successors and assigns and other tenants, if any, of said Parcel 2 and their respective tenants, subtenants, agents, employees, customers, licensees and invitees.

Option to Ex-
and Lease
Substitution
of Article 12

12A. Tenant shall have ten (10) successive options to extend the term of this Lease for an additional period of five (5) years on each such option, such extended term to begin respectively upon the expiration of the term of this Lease or of this Lease as extended and the same terms and conditions as herein set forth shall apply to each such extended term. If Tenant shall elect to exercise the aforesaid options, it shall do so by giving notice to Landlord not less than six (6) months prior to the expiration of the term of this Lease or of this Lease as extended.

Regardless of the exercise or nonexercise by Tenant of any or all of the foregoing options, Tenant shall have, unless the last day of the Lease term shall be January 31 of any year, the option to extend (or further extend, as the case may be) the term of this Lease for such period of time as shall cause the last day of the term of this Lease to be the January 31 next succeeding the date upon which the term of this Lease would expire but for the exercise of this option. This option shall be exercised by notice to Landlord not less than six (6) months prior to the expiration of the term of this Lease or any extension thereof. Tenant's rental during this option period shall be the same rental payable under the terms of this Lease at the time Tenant notifies Landlord of its intention to exercise this option.

airs and
aintenance
-inued
-m Article

14A. The repairs by Tenant to the interior of Tenant's building(s) shall include the following:
All windows and interior glazed partitions; interior walls, floor coverings, ceilings; plumbing, electrical, heating, ventilating and air conditioning systems; lighting fixtures and tubes and all other-above floor mechanical and electrical components.

erations
- Addi-
-nal
struction
-tinued
-m Article

15A. Any alterations, additions or changes carried out by Tenant pursuant to this Article shall be limited to the "K mart" building area depicted on Exhibit "B" and it is agreed Tenant shall create no enlargement of its building exceeding one-story height. Should Landlord's insurance premiums be increased due to any alteration, addition or changes carried out by Tenant hereunder, Tenant shall reimburse Landlord for such increases. Any addition carried out hereunder which shall remain in place at the expiration of this Lease shall become the property of Landlord.

-o
ntinued
-om Article

18A. Provided, however, Landlord may, in lieu of repairing, rebuilding and restoring such damaged or destroyed buildings (other than Tenant's building)

elect to remove any remaining debris and to prepare the land area so cleared for additional parking consistent with the requirements of Article 9 hereof.

inent
tain
ntinued
om Article

19A. For the purpose of this Article 19 it is understood and agreed that any taking of the land described in Exhibit "A" shall have a corresponding effect in reducing the guaranteed amount of car parking stalls as set forth in Article 9 of this Lease.

Any damages or awards payable by any condemning authority by virtue of the exercise of the power of eminent domain, shall, with respect to the demised premises or any portion of the land described in Exhibit "A", belong to the Landlord; provided, however, nothing herein contained shall preclude Tenant from seeking and recovering in its own right such damages of any nature which may be payable pursuant to the statutes of the State of New Hampshire, provided the same does not adversely affect the rights of any mortgagee, trustee or beneficiary.

ssignment
nd Sub-
etting
ubstitution
of Article 20

20A. The premises may be used for any lawful retail purpose. Tenant may assign this Lease or sublease all of the said premises or subdivide the said demised premises into not more than five (5) store units but shall remain liable and responsible under said lease at all times during the demised term or any extension thereof; provided, however,

that with respect to assignment of the Lease Tenant shall be released from any further liability and responsibility provided Landlord's prior written consent to such assignment is granted.

Signs
Continued
from Article
21

21A. The following paragraph is to be inserted after the first paragraph of Article 21:

Tenant shall have the option to erect and maintain at its sole cost and expense at a location mutually agreed upon between Landlord and Tenant upon the premises described in Exhibit "A", but in no event in areas reserved for buildings as shown on Exhibit "B", one pylon-type sign or, in the alternative, to affix to Landlord's shopping center pylon sign and illuminate and maintain its K Mart identification sign at Tenant's sole cost and expense. Any such Tenant's pylon sign shall be of such height and other dimensions and shall bear such legend or inscription advertising Tenant's store as Tenant shall determine. Any installation by Tenant hereunder shall be subject to and in accordance with the applicable codes, regulations and ordinances of any proper governmental authority having jurisdiction thereof. In the event Keller Products, Inc. is not able to obtain its own free-standing sign for its own use at or in the vicinity of Easement Area A and the public thoroughfare on South Willow Street as

depicted on Exhibit B and Tenant erects its pylon sign, Tenant agrees that it will permit said Keller Products, Inc. to affix its identification sign to Tenant's pylon sign, such sign to be of a design that is satisfactory and acceptable to the Tenant, approval of which shall not be unreasonably withheld.

covenant of
title
continued
from Article
5

25A. After the first paragraph the following paragraph is inserted:

Anything herein to the contrary notwithstanding, the covenants contained in this Lease to be performed by the Landlord shall not create any individual liability or be binding personally, but said covenants are made for the purpose of binding only the fee estate of the Landlord in the demised premises and the Tenant shall look exclusively and fully to the Landlord's interest in the fee estate therefor, provided, however, the obligations imposed by Articles 7 and 11 shall create individual liability and be binding upon Landlord.

Landlord's Right
to Cure Land-
lord's Defaults
continued from
Article 28

28A. After the first paragraph the following paragraph is inserted:

In any instance wherein Tenant has elected to cure, correct, complete, or remedy any default (except in the case of emergency repairs pursuant to Article 14) by Landlord and to withhold rentals subsequently accruing in compensation therefor, Tenant shall first submit its statement or invoice for the cost of so doing to Landlord; should Landlord

fail to remit for same within thirty (30) days following receipt of said statement or invoice, the costs shall be deducted from subsequent rentals.

Assignment
Assump-
tion

35. Should the Landlord assign or sell its interest in and to this Lease and/or the buildings contained on the demised premises, it shall do so upon receiving the express assumption by such assignee or purchaser of all of the Landlord's obligations hereunder, and, upon such assumption, Landlord shall be released from any further responsibility or liability under this Lease thereafter. Tenant agrees to look solely to Landlord's successor in interest for the continued performance of the obligations imposed under this Lease, except that the responsibilities and liabilities imposed by Article 7 and 11 shall survive such sale or assignment.

Real Estate
Taxes

36. Landlord shall pay and discharge all real estate taxes, assessments and other charges levied and assessed against the land described on Exhibit "A" together with all buildings and improvements now or hereafter erected thereon (the shopping center) as they become due and payable, together with all interest and penalties thereon, under or by virtue of all present or future applicable laws or rules.

Tenant throughout the Lease term shall and hereby agrees to pay its proportionate share of all

real estate taxes, assessments and other charges which shall be levied or assessed by lawful governmental taxing authorities against the demised premises (including the land thereunder) and the common facilities and/or common areas depicted on Exhibit "B" hereof. In the event that real estate taxes, assessments and other charges are billed for the shopping center as a whole, then and in such event insofar as buildings are concerned, the same shall be, if possible, separately assessed against the building(s) erected by Landlord for Tenant on the demised premises pursuant to Article 6 hereof, as well as the other buildings erected on the shopping center, and if not so separately assessed, Landlord will endeavor to obtain the assessor's figures of assessment of the building(s) situate on the demised premises as well as the other buildings situate on the shopping center and if the figures therefor are not obtainable in the normal course of events, then such real estate taxes, assessments and other charges, as aforesaid, including land and buildings shall be pro-rated so that the Tenant shall pay its proportionate share thereof which shall be based upon the ratio that the ground floor area of Tenant's building (including the garden shop only if a part of building assessment) bears to the total ground floor area of all buildings at any time exis-

ing at the time of assessment of the shopping center, but if the buildings in the shopping center are separately assessed or the Landlord obtains the assessor's figures of assessment, as aforesaid, then the proration of the real estate taxes, assessments and other charges in the manner hereinbefore set forth shall be applicable only with respect to the levy or assessment against the shopping center land.

Landlord shall submit to Tenant a bill for Tenant's tax portion together with true copies of the tax bill and a statement of the facts and information needed to calculate the Tenant's tax portion as soon as practicable after the tax bills are received and Tenant shall pay the Tenant's tax portion within thirty (30) days after receipt of said bill and statement. Any real estate taxes, assessments or other charges for a real estate tax, assessment or other charge period, a part of which is included within the term of this Lease and a part of which is included in a period of time before the commencement date or after the termination date shall be equitably adjusted between Landlord and Tenant as of the commencement date or termination date as the case may be, for the purpose of computing the foregoing items under this Article.

Landlord shall not be required to contest the validity or amount of the assessed valuation of any real estate taxes, but if Landlord shall fail or re-

fuse, on request of Tenant, to take any necessary steps to contest the validity or amount of the assessed valuation or of the real estate taxes for any fiscal real estate tax year, Tenant may undertake, by appropriate proceedings in the name of the Landlord or Tenant, to contest same at Tenant's cost and expense. Landlord shall execute and deliver to Tenant, upon Tenant's request, any documents required to enable Tenant to prosecute any such proceeding within a reasonable time after demand therefor. This right of Tenant shall not be construed to give Tenant the right to prevent Landlord from paying any real estate taxes or the right to withhold payment by Tenant of Tenant's tax portion. Anything hereinbefore contained to the contrary notwithstanding, it is understood and agreed that the Tenant's right to contest or review the validity and amount of taxes as aforesaid shall be only with respect to such real estate taxes payable by Tenant.

If Landlord or Tenant shall obtain a remission or a refund of all or any part of the real estate taxes for any fiscal real estate tax year, Landlord shall promptly refund to Tenant (or credit Tenant with) a proportionate share of the remission or refund.

Anything contained in this Article to the contrary notwithstanding, Landlord shall pay, without contribution from Tenant, any assessment for improvements

upon the shopping center land presently in place and any assessment specifically related to public streets, public sidewalks, sewers, water and other installations made at governmental expense in connection with the initial construction and overall development of the entire shopping center or any part thereof.

Tenant shall not be chargeable with nor be obligated to pay any portion on any income, profit, inheritance, estate, succession, gift, franchise or transfer taxes which are or may be imposed upon the Landlord or the shopping center by whatsoever authority or howsoever designated.

\$29,000
CAP

Any and all payments of real estate taxes to be made in excess of Twenty-Nine Thousand (\$29,000.00) Dollars per annum shall be deductible from, will be offset against, and will be withheld on a cumulative basis from additional rentals, if any, generated and payable pursuant to the provisions of Article 4 of this Lease.

orce
ajeure

37. If the performance by Landlord of any of its obligations hereunder is delayed by reason of the act or neglect of Tenant, act of God, strike, labor dispute, boycott, governmental restrictions, riot, insurrection, war, catastrophe, or act of the public enemy, the period for the commencement or completion thereof shall be extended for a period equal to the period which performance was so delayed, provided, however, that nothing contained herein shall affect the provision contained in the last sentence of Article 5 on Page 3 of this Lease.

Transfer of
Landlord's
Interest

38. Landlord agrees the Landlord's interest in this lease shall not be conveyed or divested to another party prior to the commencement of the lease in accordance with the terms hereof except for purposes of mortgage financing, without obtaining prior written consent of the Tenant, which consent shall not be unreasonably withheld.

AS

Transfer of
Landlord's
Interest

38. Landlord agrees the Landlord's interest in this lease shall not be conveyed or divested to another party prior to the commencement of the lease in accordance with the terms hereof except for purposes of mortgage financing, without obtaining prior written consent of the Tenant, which consent shall not be unreasonably withheld.

----- N 95° 18' W 902.54' -----
EASEMENT AREA "A"
----- S 85° 18' E 811.54' -----

IMPROVED
K
TOTAL EGO-CARS

WELLS PRODUCTS INC.

EASEMENT AREA - B.

FOOD STORE
28.800-

SECRET
THE EYE
1004

K MAR 7
3037
6-7, 1962

OVERHEAD POWER LINES

SCALE:
1" = 10 FEET TO 1 INCH

NY 7 FAIRDORA 1

FIRST AMENDMENT TO LEASE

THIS AGREEMENT made and entered into this 30th day of April, 1976, by and between RICHARD R. VAZZA, Trustee, South Willow Realty Trust, having its principal place of business at 1895 Center Street, West Roxbury, Massachusetts (hereinafter referred to as "Landlord"), and the S. S. KRESGE COMPANY, a Michigan corporation, having its principal place of business at 3100 West Big Beaver Rd., Troy, Michigan 48064 (hereinafter referred to as "Tenant").

W I T N E S S E T H :

WHEREAS, Tenant entered into a certain lease dated July 1, 1974 with Manchester Property Group, predecessor in ownership to Richard R. Vazza, Trustee, covering certain premises located on South Willow Street, in the Town of Manchester, County of Hillsborough and State of New Hampshire; and

WHEREAS, Landlord and Tenant are desirous of amending said Lease;

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and other valuable consideration in hand paid, each to the other, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Rider Article 9A of the Lease is hereby amended by adding after the second paragraph thereof, the following paragraph:

"Tenant shall pay to Landlord on account of the aforesaid costs the sum of \$1,733.33 on the first day of June, 1976 and thereafter on the first day of each month, in advance, along with the monthly installment of minimum rental during the lease term."

Rider Article 9A is hereby further amended by eliminating the last two sentences of the fourth paragraph thereof, and substitute in lieu thereof the following two sentences:

"Such bill will set forth the items and amounts charged to Tenant in reasonable detail and credit Tenant for such sums paid on account thereunder as to reflect the calculation of Tenant's obligation. If such bill indicates a balance due Landlord for the aforesaid costs, Tenant shall pay such amount within thirty (30) days after receipt of Landlord's billing thereof, but, however, if such bill indicates a credit due Tenant for the aforesaid costs, Tenant shall deduct the amount thereof from the next monthly installment(s) of \$1,733.33, payable pursuant hereto."

2. Exhibit "B" to said Lease dated July 15, 1974 shall be substituted with revised Exhibit "B" dated April 20, 1976.

3. That all other terms and conditions of said Lease shall remain in full force and effect, except as herein expressly modified.

IN WITNESS WHEREOF, the parties hereto cause this Agreement to be executed on the date first above written.

WITNESSES:

James M. Hare

LANDLORD: Richard R. Vazza, Trustee

By [Signature]

and

[Signature]
Elizabeth D. Larkwald

TENANT: S. S. Kresge Company

By [Signature]
P. Johnson, Vice President

Attest [Signature]
Beatrice L. McGaw, Asst. Secretary



STATE OF Massachusetts)
COUNTY OF Suffolk) ss.

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Richard R. Vazza, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

1976. GIVEN UNDER MY HAND AND SEAL OF THIS OFFICE the 20th day of May

My commission expires:

8 May '51

Lana M. Dyer
Notary Public in and for said
County

STATE OF MICHIGAN)
COUNTY OF OAKLAND) ss

I do hereby certify that on the 3rd day of May, 1976, before me, Barbara S. Scalf, a Notary Public in and for the County and State aforesaid, duly commissioned, personally appeared J. P. Johnson and Beatrice L. McGaw known to me to be the Vice President and Assistant Secretary of the S. S. KRESGE COMPANY, who, being by me duly sworn, did depose and say that they reside in Birmingham, MI and Troy, MI respectively; that they are the Vice President and Assistant Secretary respectively of the S. S. Kresge Company, the corporation described in and which executed the foregoing instrument; that they know the seal of said corporation; that the seal affixed to said instrument is the corporate seal of said corporation; that, on behalf of said corporation and by order of its board of directors, they signed, sealed and delivered said instrument for the uses and purposes therein set forth, as its and their free and voluntary act; and that they signed their names thereto by like order.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Barbara A. Sealf
Notary Public

My Commission Expires: BARBARA S. SCALF
Notary Public, Oakland County, Mich.
 My Commission Expires June 12, 1977

Second Amendment to Lease

This FIRST AMENDMENT TO LEASE, made and entered into this 27th day of June, 1984, by and between SOUTH WILLOW PROPERTIES, c/o Brookhill Management Corporation, 10 East 53rd Street, New York, New York 10022 (hereinafter referred to as "Landlord") and K MART CORPORATION, a Michigan corporation, having its principal office at 3100 West Big Beaver, Troy, Michigan 48084 (hereinafter referred to as "Tenant").

W I T N E S S E T H:

WHEREAS, Landlord and Tenant are parties to a certain Lease dated July 1, 1974, as amended by First Amendment to Lease dated April 30, 1976, covering the Premises described on Exhibit "A" of the Lease; and

WHEREAS, Landlord and Tenant desire to amend said Lease as hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Paragraph 4 in Article 9 (Parking and Other Common Areas) is hereby deleted and there is substituted in lieu thereof the following:

"During the lease term, Landlord shall keep Tenant insured against all statutory and common law liabilities for damages on account of injuries to property or person or persons while within the common areas, in a policy or policies in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) with respect to injury to any one person and in the amount of One Million Dollars (\$1,000,000) with respect to any one accident or disaster, and in the amount of One Hundred Thousand Dollars (\$100,000) with respect to damage to property; and Landlord shall also indemnify and save Tenant harmless against any such liability. Any such policies shall bear endorsements to the effect that Tenant shall be notified not less than five (5) days in advance of any modification or cancellation thereof. Copies of such policies, so endorsed, or certificates evidencing the existence thereof, shall be promptly delivered to Tenant upon written request therefor."

2. Article 9A is further amended by increasing Tenant's monthly common area maintenance charges accordingly, provided such charges reflect an increase in the insurance premium for naming Tenant as an additional insured on the policy.

EXCEPT as expressly amended hereby, the Lease and all the terms and provisions thereof shall remain in full force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment to Lease under seal as of the day and year first above written.

WITNESSES:

Leah Kaplan

Thomas J. Gough

SOUTH WILLOW PROPERTIES

By Herbert Sales Vice Pres

Attest _____

Tracy M. Price

Reynold Dorcas

K MART CORPORATION

By J. B. Johnson, Vice President

Attest C.E. Lotzar, Jr. Ass. Secretary

ACKNOWLEDGMENTS

STATE OF New York SS:
COUNTY OF New York

I do hereby certify that on this 6th day of July, 19 84, before me,
Brenda Ward, a Notary Public in and for the
County and State aforesaid, and duly commissioned, personally appeared
Robert D. Salin and
known to me to be the President and Secretary of South Willow Properties
who, being by me duly sworn, did depose and say that they reside in Morgantown, New Jersey
respectively; that they are the President and Secretary respectively of

the corporation described in and which executed the foregoing instrument; that they know the
seal of said corporation; that the seal affixed to said instrument is the corporate seal of said
corporation; that, on behalf of said corporation and by order of its board of directors, they
signed, sealed and delivered said instrument for the uses and purposes therein set forth, as its
and their free and voluntary act; and that they signed their names thereto by like order.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and
year in this certificate first above written.

My commission expires: 3/30/86 Brenda Ward
Notary Public

BRENDA WARD, Notary Public
State of New York, No. 03-4729810
Qualified in Bronx County
Certificate Filed in New York County
Commission Expires March 30, 1986

STATE OF MICHIGAN SS:
COUNTY OF OAKLAND

I do hereby certify that on this 27th day of June, 19 84, before me,
BEVERLY M. HOLMES, a Notary Public in and for the
County and State aforesaid, and duly commissioned, personally appeared
J.P. Johnson and C.E. Lotzar, Jr.
known to me to be the Vice President and Assistant Secretary of Kmart Corporation, who,
being by me duly sworn, did depose and say that they reside in Birmingham, Michigan

respectively; that they are the Vice-President and Assistant Secretary respectively of Kmart
Corporation, the corporation described in and which executed the foregoing instrument; that
they know the seal of said corporation; that the seal affixed to said instrument is the corporate
seal of said corporation; that, on behalf of said corporation and by order of its board of
directors, they signed, sealed and delivered said instrument for the uses and purposes therein set
forth, as its and their free and voluntary act; and that they signed their names thereto by like
order.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and
year in this certificate first above written.

My commission expires: 8/11/86 Beverly M. Holmes
Notary Public

CODE 920-27-F16

BEVERLY M. HOLMES
Notary Public, Oakland County, Mich.
My Commission Expires Aug. 11, 1986