

UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ILLINOIS-EASTERN DIVISION

PROOF OF CLAIM

Name of Debtor **KMART CORPORATION**

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).
Plaza Chapel East Company

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.

Name and address where notices should be sent:
**Plaza Chapel East Company
c/o Benesch, Friedlander, Coplan & Aronoff LLP
2300 BP Tower
200 Public Square
Cleveland, OH 44114-2378**

Check box if you have never received any notices from the bankruptcy court in this case.
 Check box if the address differs from the address on the envelope sent to you by the court.

THIS SPACE IS FOR COURT USE ONLY

Account or other number by which creditor identifies debtor:

Check here replaces if this claim amends a previously filed claim, dated:

1. **Basis for Claim**
 Goods sold
 Services performed
 Money loaned
 Personal injury/wrongful death
 Taxes *Rent pursuant to the provisions of the lease agreement dated as of June 18, 1986 and related documents attached hereto as Exhibit A.
 Other*

Retiree benefits as defined in 11 U.S.C. § 1114(a)
 Wages, salaries, and compensation (fill out below)
Your SS #:
Unpaid compensation for services performed from ____ to ____

2. **Date debt was Incurred:** See attached Exhibit A.

3. **If court judgment, date obtained:**

4. **Total Amount of Claim at Time Case Filed:** \$ 30,883.85** (**A portion of this claim includes \$ 7,806.00 attributable to unpaid postpetition rent. The Claimant does not waive its right to assert such unpaid postpetition rent as an administrative expense claim.)
If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.
 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.**
 Check this box if your claim is secured by collateral (including a right of setoff).
Brief Description of Collateral:
 Real Estate Motor Vehicle
 Other
Value of Collateral \$
Amount of arrearage and other charges at time case filed included in secured claim, if any \$

6. **Unsecured Priority Claim.**
 Check this box if you have an unsecured priority claim
Amount entitled to priority \$
Specify the priority of the claim:
 Wages, salaries, or commissions (up to \$4000)* 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)
 Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4)
 Up to \$1,800* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6).
 Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7)
 Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8)
 Other - Specify applicable paragraph of 11 U.S.C. § 507(a)()
*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment

7. **Credits:** The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim
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. See attached Exhibit A.
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

THIS SPACE IS FOR COURT USE ONLY
KP 873
RECEIVED
GENERAL SERVICES
COMPANY
MAR 28 3/28/02
PH 1:17
BANKRUPTCY

Date
3/26/2002

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):
By: *[Signature]*
David M. Neumann, Attorney for Claimant

INVOICE

Plaza Chapel Hill East Co.
30050 Chagrin Boulevard, #360
Pepper Pike, Ohio 44124-5704
(216) 464-5550

February 11, 2001

KMART CORPORATION
C/O BURR WOLFF LP
ATTN JENNIFER DAVISON
P O BOX 700130
SAN ANTONIO TX 78270-0130

RE: Former Builders Square REH #1735
Unit #203-1201
510 Howe Avenue
Cuyahoga Falls, OH

Tenant Square Footage: 80,160
Total Square Footage: 145,610

First Half of 2001 Real Estate Taxes
Per attached calculation

\$ 23,077.85

Total Amount Due

\$ 23,077.85

The amount due will appear on your next monthly statement. Copies of the tax bills are attached.

Builders Square #1486
2001 Real Estate Tax Calculation
Plaza Chapel Hill East Co.

LAND TAX

67-56500
Tax Rate 695,600
61,4627

\$42,753.48

02-18586
Tax Rate 573,210
48,6011

\$27,858.65

% Share

\$70,612.13
55.05

\$38,871.98

PAVING TAX

67-56500
Tax Rate 138,940
61,4627

\$8,539.63

02-18586
Tax Rate 96,530
48,6011

\$4,691.46

% Share

\$13,231.09
55.05

\$7,283.72

TOTAL TAX DUE - 2001

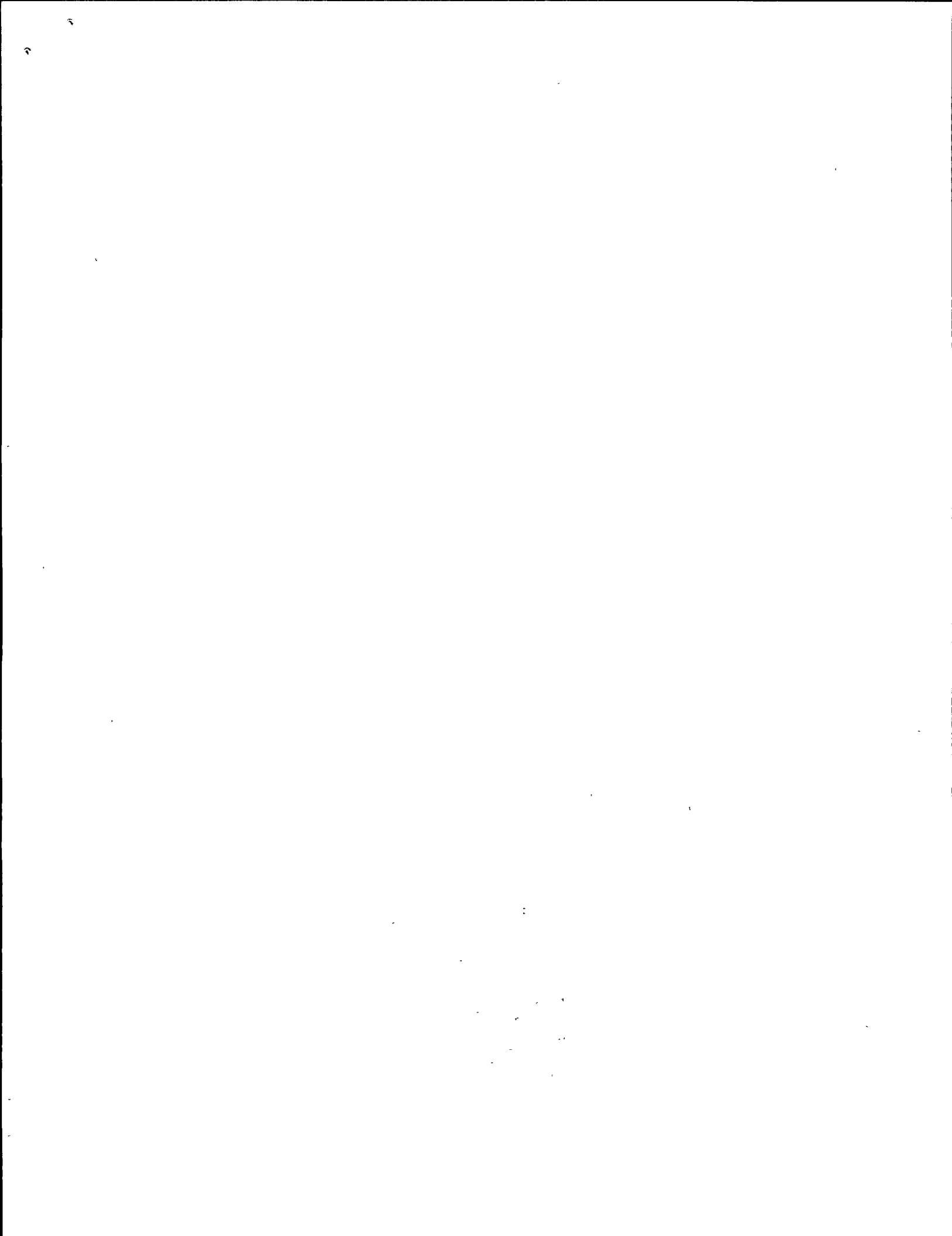
\$46,155.70

First Half 2001 Taxes Due Upon Receipt

\$23,077.85

Second Half 2001 Taxes Due 07/01/02

\$23,077.85





Kmart Corporation
International Headquarters
3100 West Big Beaver Road
Troy MI 48084-3163

May 7, 1997

CERTIFIED MAIL
Return Receipt Requested

Plaza Chapel Hill East Company
c/o Plaza Chapel Hill Company
360 Corporate Circle
30050 Chagrin Boulevard
Pepper Pike, OH 44124

RECEIVED

MAY 12 1997

VISCONZI MANAGEMENT INC.

Re: Lease described on Schedule 1
Builders Square #1486
Cuyahoga Falls, OH

Ladies and Gentlemen:

Please be advised that on February 14, 1997, pursuant to the enclosed assignment ("Assignment") Builders Square assigned the captioned lease (the "Master Lease") to Kmart Corporation, which subleased the premises back to Builders Square pursuant to a sublease ("Sublease"). The effective date of both Assignment and Sublease is February 14, 1997. It is not contemplated that the Assignment or Sublease will modify any guaranty related to the Master Lease.

Pursuant to the terms of the Sublease, Builders Square is, among other things, obligated to pay to Kmart as Sublessor Basic Rent, Percentage Rent, if any, and other sums in amounts equivalent to basic rent, percentage rent, if any, and other sums due to you under the Master Lease. Further, pursuant to the terms of the Sublease and at the direction of Kmart, until further notice Builders Square will pay basic rent, percentage rent, if any, and such other sums, if any, due under the Master Lease directly to you.

Until further notice, any notices due to tenant under the Master Lease should be sent to:

Kmart Corporation
3100 W. Big Beaver Road
Troy, MI 48084
Attention: Vice President - Real Estate

Cuyahoga Falls, OH #1486
05/05/97

with a copy to Builders Square at:

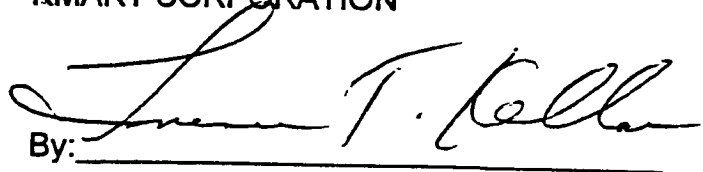
Builders Square, Inc.
9725 Datapoint Drive
San Antonio, TX 78229
Attention: Real Estate Department

If there is any question with respect to the foregoing, please contact either Donna Van Loo at Kmart Corporation (810-643-1559) or Robert B. Hotchkiss at:

Dickinson, Wright, Moon,
Van Dusen & Freeman
525 N. Woodward Avenue, Suite 2000
Bloomfield Hills, MI 48304
(810) 433-7207

Very truly yours,

KMART CORPORATION


By: _____

cc: Builders Square, Inc.

Cuyahoga Falls, OH #1486
05/05/97

SCHEDULE I

1. Master Lease

a. Lease dated July 16, 1986, between Plaza Chapel Hill East Company, as Landlord, and Builders Square, Inc. as Tenant.

b. Memorandum of Lease dated July 16, 1986 between Plaza Chapel Hill East Company, as Landlord and Builder's Square, Inc., as Tenant, recorded on _____, 19__ in _____, _____ County Records.

c. Subordination and Non-Disturbance Agreement, dated _____, 19__ between The Prudential Insurance Company of America, and Builder's Square, Inc., recorded on _____, 19__ in _____, _____ County Records.

AA00B6AEZ7 11335/2976 BL01 152547-1

Cuyahoga Falls, OH
Store No. 1486
4/7/97

ASSIGNMENT OF LEASE

BUILDERS SQUARE, INC., a Delaware corporation, with offices at 9725 Datapoint Drive, San Antonio, Texas 78229 ("**Assignor**") for and in consideration of the sum of Ten (\$10.00) Dollars and other good and valuable consideration, to it paid by **KMART CORPORATION**, a Michigan corporation with offices at 3100 West Big Beaver Road, Troy, MI 48084 ("**Assignee**"), receipt of which is hereby acknowledged, effective the date hereof, does hereby assign, transfer and set over unto Assignee all of Assignor's right, title and interest in and to the lease, amendments and agreements, if any, described on **Schedule I** which is annexed hereto and made a part hereof (the "**Lease**"), together with all rights and interest of Assignor in and to the premises demised by the Lease and all easements, covenants, restrictions and other hereditaments and appurtenances relating thereto (collectively the "**Premises**") which Premises includes the land described on **Exhibit A** which is annexed hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto Assignee, its successor and assigns, forever.

Assignee hereby accepts this Assignment as of the date hereof.

This Assignment of Lease shall inure to the benefit of and shall be binding upon the parties hereto, their successors, transferees and assigns.

Cuyahoga Falls, OH
Store No. 1486
2/12/97

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment of Lease to be duly executed this 14 day of February, 1997.

ASSIGNEE:

Bernice E. Komraar
WITNESS Bernice E. Komraar

KMART CORPORATION

Christine Kowalik
WITNESS Christino Kowalik

By: Larry E. Carlson
LARRY E. CARLSON Vice President

Alice L. Buckley
ALICE L. BUCKLEY ASSISTANT Secretary

ASSIGNOR:

Bernice E. Komraar
WITNESS Bernice E. Komraar

BUILDERS SQUARE, INC.

Christine Kowalik
WITNESS Christino Kowalik

By: M.J. Viola
M.J. VIOLA Vice President

Alice L. Buckley
ALICE L. BUCKLEY ASSISTANT Secretary

Drafted by:

Robert V. Peterson, Esq.
Dickinson, Wright, Moon,
Van Dusen & Freeman
525 North Woodward, Suite 2000
Bloomfield Hills, MI 48304

ACKNOWLEDGMENTS

STATE OF MICHIGAN)
) SS.
COUNTY OF OAKLAND)

BE IT REMEMBERED, That on this ^{Vice} 14th day of February, 1997, before me, the subscriber, a Notary Public in and for said state, personally came LARRY E. Carlson, President and Alice I. Buckley, Assistant Secretary, of the Assignee in the foregoing Assignment of Lease, and acknowledged the signing thereof to be their and its voluntary act and deed, pursuant to authority of its Board of Directors.

IN TESTIMONY THEREOF, I have hereunto subscribed my name and affixed my seal on this day and year aforesaid.

Bernice E. Komraus

STATE OF MICHIGAN)
) SS.
COUNTY OF OAKLAND)

BERNICE E. KOMRAUS
Notary Public, Oakland County MI
My Commission Expires May 4 1997

BE IT REMEMBERED, That on this ^{Vice} 14th day of February, 1997, before me, the subscriber, a Notary Public in and for said state; personally came M. J. Viola, President and Alice I. Buckley, Assistant Secretary, of the Assignor in the foregoing Assignment of Lease, and acknowledged the signing thereof to be their and its voluntary act and deed, pursuant to authority of its Board of Directors.

IN TESTIMONY THEREOF, I have hereunto subscribed my name and affixed my seal on this day and year aforesaid.

Bernice E. Komraus

BERNICE E. KOMRAUS
Notary Public, Oakland County MI
My Commission Expires May 4 1997

SCHEDULE I

- a. Lease dated July 16, 1986, between Plaza Chapel Hill East Company, as Landlord, and Builders Square, Inc., as Tenant.
- b. Memorandum of Lease dated July 16, 1986 between Plaza Chapel Hill East Company as Landlord and Builders Square, Inc., as Tenant, recorded on _____, 19 ____ in _____, _____ County _____ Records.
- c. Subordination and Non-Disturbance Agreement, dated _____, 19 ____ between The Prudential Insurance Company of America, and Builders Square, Inc., recorded on _____, 19 ____ in _____, _____ County _____ Records.

AA00A3F57A 11335/2976 BL01 144829-1

Cuyahoga Falls, Ohio
1486

Giffels, Bergstrom & Fricker, Inc.

ENGINEERS AND ARCHITECTS

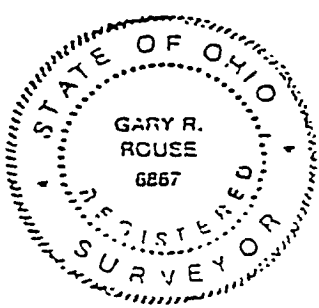
EMMET J. McDONALD DIVISION • CIVIL ENGINEERS AND SURVEYORS
245 Frank Blvd. • Akron, Ohio 44313 • 216-836-0228

April 30, 1986

Legal Description The Plaza at Chapel Hill Builders Square Parcel

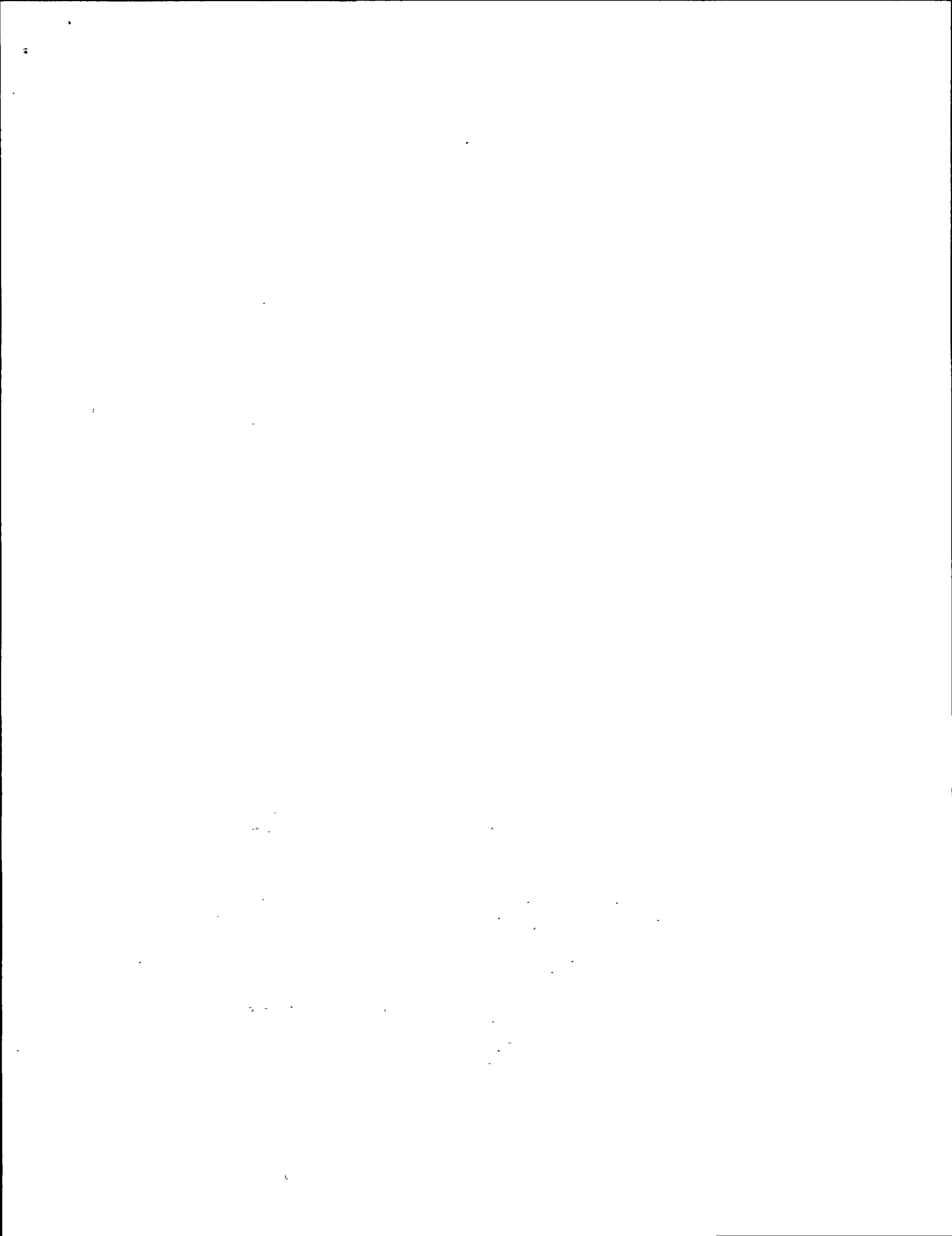
Situated in the Cities of Akron and Cuyahoga Falls, County of Summit, State of Ohio and known as being part of Lot 2, Tract 5, formerly Tallmadge Township and more fully described as follows:

Beginning at a monument at the intersection of the easterly line of said Lot 2 and the Cuyahoga Falls/Akron Corporation Line;
Thence N 86° 30' 00" W along said Cuyahoga Falls/Akron Corporation Line a distance of 319.97 feet to a point;
Thence S 22° 47' 52" E a distance of 160.79 feet to a point which is the True Place of Beginning for the parcel of land herein described;
Thence S 67° 12' 08" W a distance of 120.00 feet to a point;
Thence S 22° 47' 52" E a distance of 30.00 feet to a point;
Thence S 67° 12' 08" W a distance of 80.00 feet to a point;
Thence N 22° 47' 52" W a distance of 30.00 feet to a point;
Thence S 67° 12' 08" W a distance of 129.33 feet to a point;
Thence S 22° 47' 52" E a distance of 30.00 feet to a point;
Thence S 67° 12' 08" W a distance of 90.67 feet to a point;
Thence N 22° 47' 52" W a distance of 246.00 feet to a point;...
Thence N 67° 12' 08" E a distance of 420.00 feet to a point;
Thence S 22° 47' 52" E a distance of 216.00 feet to a point which is the True Place of Beginning and containing 2.2002 Acres of land, more or less, as determined in April, 1986 by Gary R. Rouse, Registered Surveyor with Giffels, Bergstrom & Fricker, Inc., but subject to all legal highways and any restrictions, reservations or easements of record.



Gary R. Rouse
Gary R. Rouse - Reg. No. 6867

EXHIBIT "A"
(Builders Square Property)



LEASE GUARANTY AGREEMENT

September 21

THIS AGREEMENT dated as of ~~June~~, 1986 between PLAZA CHAPEL HILL EAST COMPANY, an Ohio general partnership (the "Landlord"), having an address at 6867 Pearl Road, Middleburg Heights, Ohio 44130, and K MART CORPORATION, a Michigan corporation ("Guarantor"), having its principal office at 3100 West Big Beaver, Troy, Michigan 48084.

W I T N E S S E T H :

Contemporaneously herewith, the Landlord, as lessor, is entering into a certain lease (the "Lease") or real property located in the Cities of Cuyahoga Falls and Akron, County of Summit, and State of Ohio, which property is more particularly described in Exhibit A thereto with BUILDERS SQUARE, INC., a Delaware corporation (the "Tenant"), as lessee. Guarantor owns all of the outstanding capital stock of Tenant and is executing this agreement as an inducement to the Landlord to enter into the Lease.

NOW THEREFORE, in consideration of the premises, Guarantor agrees as follows:

1. Guarantor hereby absolutely and unconditionally guarantees to the Landlord the full and punctual performance and observance by the Tenant of all of the terms, conditions, covenants and obligations to be performed and observed by the Tenant under the Lease.

2. Guarantor hereby assents to all of the provisions of the Lease and waives demand, protest, notice of any indulgences or extensions granted to the Lessee, any requirement of diligence or promptness on the part of the Landlord in the enforcement of the Lease and any notice thereof, and any other notice whereby to charge Guarantor, provided however, Guarantor shall be furnished with a copy of any notice of or relating to default under or termination of the Lease to which Tenant is entitled or which is served upon Tenant at the time the same is sent to or served upon Tenant.

3. The liability of Guarantor hereunder shall in no way be affected by: (a) The release or discharge of Tenant in any creditors', receivership or bankruptcy proceeding; (b) any alteration of or amendment to the Lease which alteration or amendment has been consented to in writing by the Guarantor; (c) any permitted sale, assignment, sublease, pledge or mortgage of the rights of Tenant under the Lease; or (d) any application or release of any security or other guaranty given for the performance and observance of the covenants and conditions in the Lease on Tenant's part to be performed and observed.

4. This Agreement shall apply for the term of the Lease and for any extended or renewal term therein provided.

5. This Agreement shall inure to the benefit of the Landlord and its successors and assigns and any assignee of the Landlord's interest in the Lease, and shall be binding upon the Guarantor and its successors and assigns.

6. This Agreement may not be changed or terminated orally, but only by a written instrument signed by the party against whom enforcement of any change or termination is sought.

7. Any notice required hereunder to be sent to Guarantor shall be sufficiently given by mailing by certified or registered mail, postage prepaid, addressed as follows:

K mart Corporation
3100 West Big Beaver Road
Troy, Michigan 48084
Attention: Vice President - Real Estate

IN WITNESS WHEREOF, the Guarantor has duly executed this Agreement by its duly authorized officers and caused its corporate seal to be hereunto affixed as of the day and year first above written.

WITNESSES:

PLAZA CHAPEL HILL EAST COMPANY

[Signature]

By: *[Signature]*

Partner

Dorothy Melias

By: *[Signature]*

Partner

K MART CORPORATION

Patricia A. Brisbay

By: *M. L. Skiles*
M. L. SKILES, Vice President

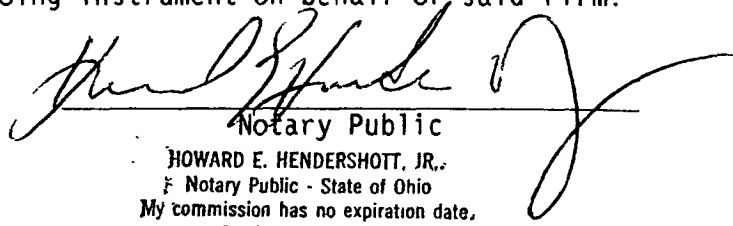
Bellie L. Duke

Attest: *[Signature]*
C. E. LOTZAR, Assistant Secretary

ACKNOWLEDGMENT

STATE OF Ohio) SS
COUNTY OF Cuyahoga)

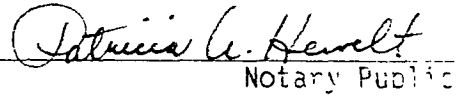
On the 19th day of June, 1986, before me personally came Herbert A. Falk & Anthony Visconti, to me known, who, being by me duly sworn, did depose and say that ~~he~~ she is/are a partner/partners in the firm of Flora Chapel Hill East Co., a partnership, and that he/they executed the foregoing instrument on behalf of said firm.


Notary Public
HOWARD E. HENDERSHOTT, JR.,
Notary Public - State of Ohio
My commission has no expiration date.
Section 147.03 R. C.

STATE OF MICHIGAN)
COUNTY OF OAKLAND) SS:

I do hereby certify that on this 2nd day of September, 1986, before me, Patricia A. Hewelt, a Notary Public in and for the County and State aforesaid, and duly commissioned, personally appeared Dr. L. Shiles and C. E. Latyon, Jr., known to me to be the Vice President and Assistant Secretary of K mart Corporation, who, being by me duly sworn, did depose and say that they reside in Rochester, MI and Birmingham, MI respectively; that they are the Vice President and Assistant Secretary respectively of K mart 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: PATRICIA A HEWELT
Notary Public, Macomb County, Mich.
My Commission Expires Aug 17, 1988
Acting in Oakland County:

Notary Public

Giffels, Bergstrom & Fricker, Inc.

ENGINEERS AND ARCHITECTS

EMMET J. McDONALD DIVISION • CIVIL ENGINEERS AND SURVEYORS
245 Frank Blvd. • Akron, Ohio 44313 • 216-836-0228

April 30, 1986

Legal Description The Plaza at Chapel Hill Builders Square Parcel

Situated in the Cities of Akron and Cuyahoga Falls, County of Summit, State of Ohio and known as being part of Lot 2, Tract 5, formerly Tallmadge Township and more fully described as follows:

Beginning at a monument at the intersection of the easterly line of said Lot 2 and the Cuyahoga Falls/Akron Corporation Line;

Thence N 86° 30' 00" W along said Cuyahoga Falls/Akron Corporation Line a distance of 319.97 feet to a point;

Thence S 22° 47' 52" E a distance of 160.79 feet to a point which is the True Place of Beginning for the parcel of land herein described;

Thence S 67° 12' 08" W a distance of 120.00 feet to a point;

Thence S 22° 47' 52" E a distance of 30.00 feet to a point;

Thence S 67° 12' 08" W a distance of 80.00 feet to a point;

Thence N 22° 47' 52" W a distance of 30.00 feet to a point;

Thence S 67° 12' 08" W a distance of 129.33 feet to a point;

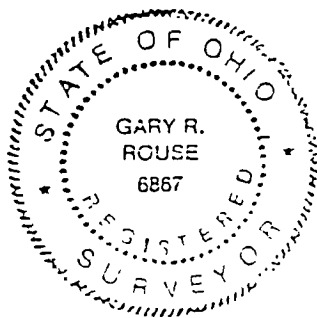
Thence S 22° 47' 52" E a distance of 30.00 feet to a point;

Thence S 67° 12' 08" W a distance of 90.67 feet to a point;

Thence N 22° 47' 52" W a distance of 246.00 feet to a point;

Thence N 67° 12' 08" E a distance of 420.00 feet to a point;

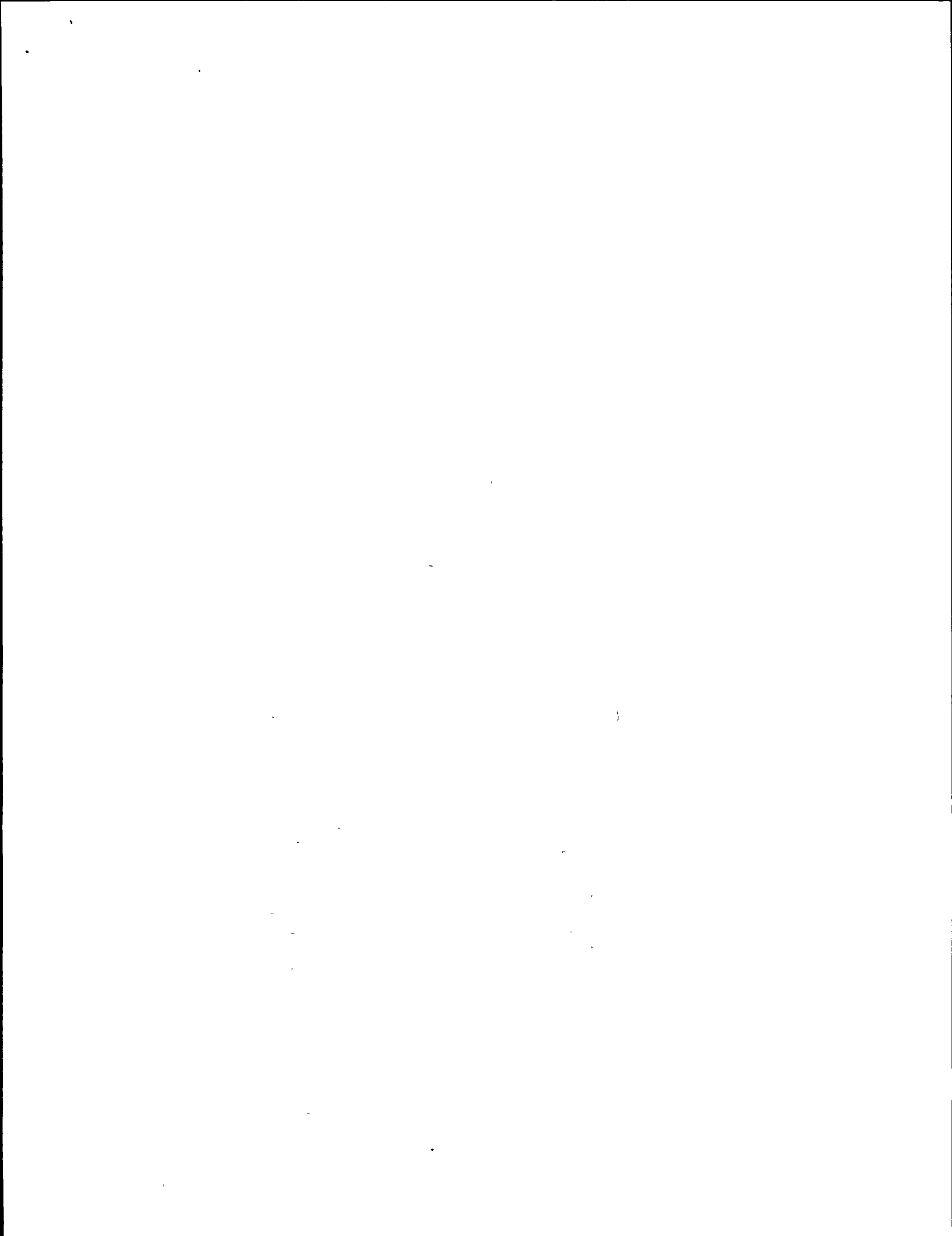
Thence S 22° 47' 52" E a distance of 216.00 feet to a point which is the True Place of Beginning and containing 2.2002 Acres of land, more or less, as determined in April, 1986 by Gary R. Rouse, Registered Surveyor with Giffels, Bergstrom & Fricker, Inc., but subject to all legal highways and any restrictions, reservations or easements of record.



A handwritten signature in cursive script, reading "Gary R. Rouse".

Gary R. Rouse - Reg. No. 6867

EXHIBIT "A"
(Builders Square Property)



Parties

THIS LEASE made and entered into as of this 18th day of June, 1986, between PLAZA CHAPEL HILL EAST COMPANY, an Ohio general partnership having its principal office at 6867 Pearl Road, Middleburg Heights, Ohio 44130 (herein referred to as "Landlord"), and BUILDERS SQUARE, INC., a Delaware corporation having its principal office at 100 Gill Road, San Antonio, Texas 78201 (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 lease term herein provided, (i) Tenant's completed building (designated Builders Square), (ii) site improvements to be constructed as hereinafter specified by Landlord, at its expense, (iii) land comprising not less than two and 24/100 (2.24) acres, said land described in Exhibit "A", attached hereto and made a part hereof, and situated in the Cities of Cuyahoga Falls and Akron, County of Summit, State of Ohio and (iv) a non-exclusive easement and right to use all public and common facilities erected or serving a shopping center to be constructed by Landlord upon the property described in Exhibit "A-1", also attached hereto and made a part hereof, and intended for common use; including, but not limited to, all entrances, exits, driveways, parking areas, walks, service drives and all utilities servicing said property. Tenant's said building to be in the location and of the dimensions as depicted on Exhibit "B", attached hereto and made a part hereof.

Said land, Tenant's completed building and the site improvements, together with all licenses, rights, privileges and easements, appurtenant thereto, shall be herein collectively referred to as the "demised premises" and shall be a part of a shopping center to be constructed by Landlord on the property described in Exhibit "A-1".

Term

2. The term of this lease shall commence upon the "date of occupancy by Tenant", as that term is defined in Article 11 hereof, and shall terminate upon such date as shall be twenty (20) years from the last day of the month in which said date of occupancy by Tenant shall occur; provided, however, the term of this lease may be extended as provided in Article 13, hereof. The phrase "lease term", as used in this lease, shall be the term of this lease and any extension thereof pursuant to said Article 13.

Annual
Minimum
Rental

3. Tenant shall, during the lease term, pay to Landlord, at such place as Landlord shall designate in writing, from time to time, without demand therefor, without notice and without setoff or counterclaim, except as hereinafter specifically set forth, the annual minimum rental of FOUR HUNDRED FIFTY SIX THOUSAND NINE HUNDRED TWELVE DOLLARS (\$456,912), unless abated or diminished, as hereinafter provided. Said rentals shall be paid in equal monthly installments on the first day of each month, in advance, commencing upon the first day of the lease term, provided, however, in the event the first day of the lease term shall not be the first day of a calendar month, then the rental for such month shall be prorated upon a daily basis.

Additional
Rental

4. In addition to the aforesaid annual minimum rental, with respect to any fiscal year during the lease term in which Tenant's "gross sales", as hereinafter defined, shall exceed the sum of SIXTEEN MILLION DOLLARS (\$16,000,000), Tenant shall pay to Landlord, as additional rental, an amount equal to one per cent (1%) of gross sales exceeding SIXTEEN MILLION DOLLARS (\$16,000,000).

Said additional rental shall be paid within thirty (30) days following the end of each fiscal year during the lease term. For the purposes of this lease, Tenant's "fiscal year" shall be each successive period of fifty two (52) consecutive calendar weeks commencing on the February 1st immediately following the beginning of the lease term, as hereinafter provided. Sales for any period preceding the first fiscal year shall be included in gross sales reported for the first fiscal year. Tenant shall, on or before the thirtieth (30th) day following the end of each fiscal 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 fiscal year, or lesser period. The term "lesser period", as used herein, shall be any period beginning on the first (1st) day of any fiscal year and ending, by reason of the termination of this lease, prior to the end of such fiscal year. In the event that a period of more or less than fifty two (52) weeks shall be so required to be included in any such statement, then the dollar amounts referred to in the preceding paragraph of this Article 4 shall be proportionately increased or decreased, as the case may be.

Landlord, or its agent, may inspect Tenant's record of gross sales annually, provided such inspection shall be made at Tenant's principal office and within twelve (12) months after the statement of such sales shall be delivered to Landlord. Such inspection 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 the demised premises, for legal proceedings in any court, at law or in equity, or for tax purposes, Landlord shall hold, in confidence, such 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 in, on or from the demised premises, whether wholesale or retail, cash or credit (including merchandise ordered on the demised premises and delivered from another place) except that the following shall be excluded:

- (i) Sales of merchandise from the demised premises subsequently returned for refund or credit, merchandise transferred to a warehouse or another store of Tenant (so long as such transfer is not in avoidance of sales at the demised premises) 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;
- (ii) Any and all taxes (provided said taxes are paid to the appropriate taxing authorities) 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 sales taxes and other taxes levied upon, assessed against, based upon or measured by (a) such occupant's gross receipts, or any part thereof, or (b) 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, excise tax and such taxes as are passed on to the consumers as taxes; provided, however, said taxes to be excluded from gross sales shall not include any net income tax, franchise or any other tax not levied upon or computed upon gross sales or gross receipts, or any portion thereof; provided, further, said taxes to be excluded from gross sales shall be excludable regardless of whether imposed under any existing or future orders, regulations, laws, statutes or ordinances;

- (iii) Receipts from cigarettes, lockers, stamp machines, public telephones, pay toilets, mechanical entertainment devices, money orders, pay scales, other vending machines (provided same are solely for the use and convenience of Tenant's employees) and all licenses sold to the public;
- (iv) Service and interest charges for time payment accounts and charge accounts;
- (v) Returns to suppliers or manufacturers;
- (vi) Penalties charged by Tenant for returned checks;
- (vii) Sale of fixtures after use thereof in the conduct of Tenant's business in the demised premises;
- (viii) Reimbursement for postage, express, or delivery expenses (such as United Parcel Service) in delivering merchandise to customers; and
- (ix) Sales to bona fide employees of Tenant or of a concessionaire of Tenant entitled to purchase at a discount under Tenant's House Rules and employed in the operation of Tenant's business or employed in the building of a concessionaire of Tenant, either on the demised premises, Tenant's principal offices or its regional offices; provided, however, such sales do not occur more than two (2) times during any lease year.

Real Estate
Taxes

5. Tenant shall pay and discharge all ad valorem real estate taxes and assessments which shall be levied against the taxable premises (as such term is hereinafter defined) during the lease term, including such special assessments as shall be levied against the taxable premises after the commencement of the lease term, but excluding therefrom payment of assessments which are incurred or levied as a result of Landlord's activity in developing the demised premises for Tenant's occupancy.

To the extent permitted by law, Tenant may pay any such assessment in annual installments. In the event any such assessment shall be payable in a lump sum or on an installment basis, Tenant shall have the sole right to elect the basis of payment. If Tenant shall elect to pay such assessment on the installment basis, then Tenant shall pay only those installments which shall become due and payable during the lease term. Any such installments due and payable in the years in which this lease commences and terminates shall be prorated proportionately.

Tenant shall not be chargeable with nor be obligated to pay any tax of any kind whatsoever which may be imposed on the Landlord, the rents payable hereunder or the demised premises, except the ad valorem real estate taxes and assessments mentioned in the first paragraph of this Article 5.

Landlord shall, at its expense, use its best efforts to have the taxable premises (as hereinafter defined) separately assessed from any contiguous lands, contiguous buildings and from any additional lands and improvements incorporated into the demised premises in the future or, in the alternative, if a separate assessment is unobtainable, shall obtain a certificate of assessment upon the taxable premises. Tenant shall pay such taxes and assessments as shall be attributable to the taxable premises directly to the taxing authority (if a separate assessment is obtained as hereinbefore provided) and, in addition, thereto, Tenant shall pay to Landlord a proportionate amount of such taxes and assessments as shall be attributable to the land described in Exhibit "A-1" and depicted on Exhibit "B". If the taxable premises are not separately assessed but a certificate of assessment is available, Tenant shall pay to Landlord the amount of ad valorem real estate taxes and assessments attributable to the taxable premises in accordance with the certificate of assessment and, in addition, thereto, Tenant shall pay to Landlord a proportionate share of such taxes and assessments as shall be attributable to the land described in Exhibit "A-1". If the taxable premises are not separately assessed and a certificate of assessment is not obtainable, Tenant shall pay to Landlord a proportionate amount of all ad valorem real estate taxes and assessments attributable to the land described in Exhibit "A-1" and the improvements thereon in the manner hereinafter provided. Where Tenant is required to pay a proportionate share of taxes to Landlord, the same shall be paid to Landlord within thirty (30) days following receipt of Landlord's written notification that such taxes and assessments are due. Landlord's written notification shall be forwarded to Tenant not later than twenty one (21) days prior to the date such taxes and assessments shall be due and shall be accompanied by a copy of the tax bill or certificate and such additional information as Tenant may reasonably require to show how Tenant's proportionate share of such taxes and assessments was calculated. Tenant's proportionate share of such taxes and assessments shall be in the ratio that the square foot floor area of Tenant's building bears to the square foot floor area of all of the buildings located on the land described in Exhibit "A-1" at the time of such assessment.

Tenant shall have the right to participate in all negotiations of tax assessments against the taxable premises. Tenant shall have the right to contest the validity or the amount of any tax or assessment levied against the taxable premises and, with Landlord's consent, the land described in Exhibit "A-1" by such appellate or other proceedings as may be appropriate in the jurisdiction in which such properties lie and may defer payment of such obligations, pay same under protest or take such other steps as Tenant may deem appropriate; provided, however, Tenant shall take no action which will cause or allow the institution of any foreclosure proceedings or similar action against the taxable premises or the land described in Exhibit "A-1". Landlord shall cooperate, at Tenant's expense, in the institution and prosecution of any such proceedings initiated by Tenant and will execute any documents required therefor.

Should Landlord institute proceedings to contest the validity or the amount of any tax or assessment levied against the taxable premises and/or the land described in Exhibit "A-1", Tenant, at Landlord's expense, will cooperate in such proceedings.

Should any of the proceedings referred to in the preceding two (2) paragraphs of this Article 5 result in reducing the total annual real estate tax and assessment liability against the taxable premises and/or the land described in Exhibit "A-1", Tenant, after deducting any expenses incurred by Landlord, shall be entitled to receive such refunds attributable to the taxable premises paid by the taxing authorities. After payment of all of Landlord's and Tenant's expenses incurred in any proceeding pertaining to the land described in Exhibit "A-1" in which a refund is paid, Landlord shall pay to Tenant, Tenant's proportionate share of such refund. Any balance of said refund remaining after such payment to Tenant shall belong to Landlord. If no refund shall be secured in any given proceeding, the party instituting the proceeding shall bear the entire cost.

The term "taxable premises", as used in this lease, shall be that certain land described in Exhibit "A", together with Tenant's building and site improvements, required by Tenant to be constructed thereon by Landlord under the terms of this lease.

Tenant shall be required to pay its proportionate share of any tax, assessment, charge or impost which, in whole or in part, is a specific substitute for the real estate taxes described in this Article 5, whether such tax, assessment, charge or impost is based upon real estate, gross receipts from real estate, rental income or any other source of determination or measurement. Provided, however, that if the amount or rate of any such tax so levied against the income of Landlord as a specific substitute for such taxes shall be increased by reason of any other income, receipts or property owned by Landlord, then and in that event, Tenant shall not be obligated to pay such increased amount, but only such tax as Landlord would be obligated to pay in case it derived no income from any source other than the property, described in Exhibits "A" and "A-1", nor owned any other property.

New Building
by Landlord

6. Tenant's said building and site improvements shall be completed and delivered to Tenant promptly and with due diligence. 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, act of the public enemy or any other act over which Landlord has no control, the period for the commencement or completion thereof shall be extended for a period equal to such delay. Landlord warrants that a general contract for construction of said building and improvements referred to in Articles 1 and 12, hereof, shall be let, rough site grading shall be completed and foundations and footings commenced not later than November 1, 1986. If Landlord shall fail (except as hereinbefore provided) to comply fully with this warranty, Landlord shall so notify Tenant, in writing, and, in such event, Tenant shall have, in addition to other remedies which may be available to it by law or otherwise, the option to terminate this lease within sixty (60) days thereafter by written notice to Landlord; provided, further, in the event (except as hereinbefore provided), said building and site improvements shall not have been completed in accordance with working drawings and specifications prepared by Landlord and approved, in writing, by

Tenant and possession thereof tendered to Tenant prior to September 1, 1987, then Tenant shall, at any time thereafter, have the further option of terminating this lease by written notice to Landlord. Notwithstanding anything to the contrary herein contained, in the event that the lease term shall not have commenced prior to such date as shall be two (2) years from the date of this lease, then this lease shall be automatically terminated without further act of either party hereto.

Within sixty (60) days after approval of the working drawings and specifications, as hereinafter provided in Article 7, Landlord shall obtain not less than one (1) bid for the construction of Tenant's building on the demised premises in accordance with said approved working drawings and specifications. If such bid is for an amount less than ONE MILLION SIX HUNDRED THREE THOUSAND TWO HUNDRED DOLLARS (\$1,603,200) (hereinafter called cost limitation), then Landlord may go forward with said bid or with any other contractor willing to construct Tenant's building for an amount equal to or less than said cost limitation, which selection of contractor shall be in Landlord's sole discretion. In the event, however, that such bid states a cost to construct Tenant's building that is greater than the cost limitation, then Landlord shall be required to obtain three (3) additional competitive bids for the construction of Tenant's building in accordance with said approved working drawings and specifications and Landlord shall submit such bids to Tenant within ten (10) days after receipt thereof accompanied by detailed statements showing the amounts bid for the various categories of work, including the cost of foundations and footings. Tenant and Landlord shall thereupon consult within fifteen (15) days of the receipt by Tenant of said bids for the purpose of making changes in the said approved working drawings and specifications in order to reduce the construction contract price to below the aforesaid cost limitation or, at Tenant's election, to go forward with the lowest bid with Tenant to pay the cost in excess of the aforesaid cost limitation, Tenant shall pay to Landlord such cost in installments, the first such installment due and payable on the first day of the month following the month within which construction of Tenant's building shall commence. Such installment shall be calculated and be equal to the amount obtained as follows: Total cost of construction contract multiplied by the percentage of Tenant's building completed on the last day of the month within which construction of Tenant's building commences and certified to Tenant by Landlord and approved by Tenant's construction representative, multiplied by a fraction, the numerator of which shall be the difference between the total cost of the construction contract and the cost limitation, and the denominator of which shall be the total cost of the construction contract. Interim installment payments equal to the additional percentage of Tenant's building which has been completed and certified by Landlord to Tenant and approved by Tenant's construction representative multiplied by the fraction hereinabove defined, shall be due and payable every thirty (30) days thereafter until ninety percent (90%) of Tenant's full portion of the total cost of the construction contract has been paid. The final installment from Tenant shall be due and payable when (i) Landlord has provided Tenant with certificates stating that, to the extent of Landlord's work, Tenant's building has been completed in accordance with said working drawings and specifications and such construction is approved by Tenant's construction representative and (ii) lien releases or title insurance insuring over mechanic's liens have been obtained with respect to all work performed or material furnished during the course of the construction of Tenant's building. For the purposes of this Article 6, Landlord's costs to construct Tenant's building upon the demised premises in accordance with approved

working drawings and specifications shall not include (i) Landlord's administrative and supervisory costs, land costs, costs of surveys and site plans, financing costs, cost to bring properly sized utilities to within five (5) feet of Tenant's building, one-half the cost of any common walls which separate Tenant's building from other contiguous buildings (if permitted), boring costs, site development costs, the cost of excavation and fill, the cost of preparation of Tenant's building pad and the cost of improvements outside the perimeter of Tenant's building, such as paving, curbing, lighting, drainage facilities, sewage facilities and other facilities (and further excluding any sum that would represent the cost of abnormal site or subsoil conditions).

Drawings
and Speci-
fications

7. Tenant's said building and site improvements shall be constructed by Landlord, at its sole cost and expense, except as herein provided, in accordance with the working drawings and specifications prepared by Landlord, at its sole cost and expense, 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 drawings and specifications, prior receipt of which Landlord hereby acknowledges. Said typical plans and specifications are subject to the following exceptions and such other deviations as may be approved, in writing, by Tenant:

- (i) Such modifications of arrangement of space, location of entrances, exits and columns and other structural members as shall be indicated by Tenant and 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; and
- (ii) Changes of type and standards of construction and of arrangement to the extent as shall be required by applicable laws, codes or ordinances.

Said working drawings and specifications shall be submitted to Tenant for approval prior to commencement of construction and such approval shall not be unreasonably withheld. Within thirty (30) days after receipt of said working drawings and specifications, Tenant shall, in writing, inform Landlord of required revisions or corrections thereto which are necessary to conform said working drawings and specifications to the Tenant's typical store drawings and specifications, hereinbefore referred to. Landlord shall make such revisions or corrections as required by Tenant and shall resubmit them for Tenant's final approval, which Tenant shall provide within fifteen (15) days following receipt of said revised working drawings and specifications. In the event Tenant shall not inform Landlord of such desired revisions or corrections within said thirty (30) days, or fifteen (15) days in the case of a resubmission of said working drawings and specifications, said working drawings and specifications shall be deemed approved and accepted for the purposes hereof.

Said typical drawings and specifications and said working drawings and specifications, as approved by Tenant, shall constitute a part of this lease.

Guarantee of
Materials

8. Landlord shall unconditionally guarantee all work performed by or for Landlord in the construction of Tenant's building and site improvements against defective workmanship and materials for the period of one (1) year

from the commencement of the lease term. Tenant shall be entitled to the benefit of any and all guarantees of workmanship and materials which Landlord may receive.

Advance Possession for Fixturing

9. For a period of forty five (45) days prior to completion of Tenant's building by Landlord, as set forth in Article 11, hereof, Tenant shall have the privilege of entering said building, rent free, at its sole risk and expense, for the purposes of installing storage bins, storing merchandise and other of Tenant's construction activities. Any such property of Tenant shall be at Tenant's sole risk (unless any damage or destruction of such property shall be caused by negligence on the part of Landlord, Landlord's agent's employees, assigns, etc.) and Tenant shall indemnify Landlord as to any loss or damage caused as a result of Tenant's early entry. Tenant's activities shall not create unreasonable interference with the work of Landlord. Such entry shall not be construed as an acceptance of the demised premises by the Tenant under the provisions of this lease or as a waiver of any of the provisions hereof.

Parking and Other Common Areas and Shopping Center Improvements

10. Prior to commencement, and as a condition of the commencement of the lease term, Landlord shall complete, at its sole cost and expense, construction of all on-site and off-site improvements (required for the development of the shopping center and the demised premises) and common area improvements required for the use and operation of the demised premises and the shopping center premises (to be constructed by Landlord) as a retail shopping center complex, substantially as depicted on Exhibit "B" and in accordance with the plans and specifications therefor approved by Tenant; including, but not limited to, (i) all land clearance, land balancing and grading, (ii) all necessary road improvements, including acceleration and deceleration lanes and signalization (if required), (iii) all necessary utility extensions to the demised premises and the shopping center buildings; including, but not limited to, all storm sewers, watermains, storm drains, and retention basins, (iv) all entrances, exits, driveways, roadways, service drives, parking areas, curbing, sidewalks, landscaping and (v) all on-site traffic and parking lot striping and control signs, lighting and any fencing or screening walls required by law, ordinance or regulation to the extent all of the above are required for the operation of Tenant's business.

Landlord covenants that the aggregate area provided for the parking of automobiles upon the land described in Exhibit "A-1" and intended for common use shall, during the lease term, shall be sufficient to accommodate not less than five (5) automobiles per one thousand (1,000) square feet of leasable building space constructed upon such land.

At least forty five (45) days prior to the commencement of the lease term, Landlord shall provide paved driveways running from the adjoining public streets around the front and rear of Tenant's building and the front, side and rear of the balance of the shopping center constructed upon the land described in Exhibit "A-1", in order to secure convenient ingress and egress from said public streets to the front and rear entrances of Tenant's building and the other shopping center buildings for the purpose of receiving and delivering fixtures merchandise and other property. Such driveways shall be of sufficient width to permit the passage, unloading and, if necessary, the turning around of trailer trucks and other commercial vehicles. Landlord covenants to maintain said service drive for the length of the lease term herein demised.

Notwithstanding any other provision of this lease, Tenant and its employees shall park their vehicles only in these areas specifically designated for that purpose, from time to time, in writing, by Landlord.

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 Exhibits "A" and "A-1", utilize the common areas for parking or other purposes to an extent which shall be objectionable to Tenant, Landlord shall at its sole expense, upon written request by Tenant, take whatever reasonable action as shall be so requested to prevent said unauthorized utilization. Notwithstanding anything herein contained to the contrary, the parties hereto acknowledge that the owner/occupant of the Toys parcel identified on the site plan and adjoining the Shopping Center has certain rights under the Reciprocal Easement and Operation Agreement, hereinafter referred to in Article 27, hereof, to utilization of the common areas as set forth therein in exchange for similar rights over the common areas of the Toys parcel and that the owner/occupant of Parcel 3 has driveway rights over Plaza Roadway abutting Parcel 3.

Landlord, from time to time, may make additions, alterations and/or modifications to the shopping center so long as the same do not significantly obstruct the public's view of the Premises, significantly hamper the public's access to the Premises, significantly interfere with the intended use of common areas or unreasonably interfere with Tenant's business. Notwithstanding the above, Landlord shall not construct, nor shall Landlord permit to be constructed, any building or structure of any kind, permanent or temporary in or on any part of the common areas without Tenant's prior written consent.

Store
Opening

11. 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 its store for business or (b) the date which shall be forty five (45) 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 building and site improvements shall be completed in accordance with said working drawings and specifications (subject to minor punch list items that do not affect Tenant's use of the demised premises for its intended use), and the possession thereof shall be tendered to Tenant and (ii) all of the representations and warranties set forth in Articles 10, 12 and 16, hereof, shall have been 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 September 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 11, and, in the event of the exercise of such option, Landlord shall complete said building and site improvements as expeditiously as possible; provided, however, if Landlord shall have failed to complete said building and improvements according to the said working drawings and specifications within ninety (90) days after Tenant notified Landlord, in writing, of Landlord's failure to complete said building and improvements (or such longer period as Landlord may require to complete said building and improvements, provided Landlord has commenced such work within said ninety (90) day period and is diligently proceeding to complete the building and improvements), Tenant shall thereafter, at any time, be

privileged, but not obligated, to complete, correct or remedy, in all or in 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

12. Landlord represents, warrants and covenants that:
- (i) Prior to commencement of the lease term, Landlord shall have completed Tenant's building and site improvements and the common area work and shopping center improvements in accordance with the terms hereof;
 - (ii) Landlord shall not have erected or will not erect any buildings, structures or improvements on the lands described on Exhibits "A" and "A-1", except as are shown on Exhibit "B";
 - (iii) Prior to the commencement of the lease term, the demised premises will have been properly zoned for Tenant's use and all necessary governmental consents, permits and approvals for such use shall have been obtained (except those consents, permits and approvals required to be obtained by Tenant);
 - (iv) Prior to the commencement of the lease term, Landlord shall have delivered to Tenant a Certificate of Occupancy as to Landlord's work for the demised premises;
 - (v) There shall be sidewalks, driveways, service drives, roadways and entrances for automotive and pedestrian ingress and egress to and from the common areas and adjacent public streets and highways, as depicted on Exhibit B; and
 - (vi) The square foot floor area of any building to be located on the area depicted on Exhibit "B" and designated "Outlot Area" shall not exceed thirty three and one third percent (33 1/3%) of the land area designated "Outlot Area" and be greater than one (1) story or twenty four (24) feet in height, whichever is less.
 - (vii) Prior to the commencement of the lease term the roadway depicted on Exhibit "B" and designated "Plaza Roadway" shall be constructed and open to the general public.

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

In the event Landlord's said representations and warranties shall not be fulfilled within ninety (90) days after commencement of the lease term and Landlord shall not be diligently proceeding to fulfill said representations and warranties or Landlord shall violate any of the said representations and warranties during the lease term, Tenant shall, thereafter, have the option of either (i) completing said representations and warranties and deducting the cost of said performance together with interest thereon from the date expended until the date paid by Landlord at the rate of twelve percent (12%) per annum (or the highest rate permitted by law, whichever is higher) from the rent due under this lease or (ii) Tenant shall (provided Landlord's failure to complete said representations and warranties has a material impact upon Tenant's business) have the option to terminate this lease by written notice to Landlord, such notice stating an effective date of termination not less than sixty (60) days from the date of such notice.

Options to
Extend Lease

13. (a) Provided Tenant is not in default of any term or condition of this lease, Tenant shall have four (4) successive options to extend the term of this lease for an additional period of five (5) years (hereinafter called "Option Period") on each such option. Such extended term shall 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, except for the annual minimum rental which shall be as follows:

- (i) FOUR HUNDRED NINETY SIX THOUSAND NINE HUNDRED NINETY TWO DOLLARS (\$496,992) during each and every year of the first Option Period;
- (ii) FIVE HUNDRED THIRTY SEVEN THOUSAND SEVENTY TWO DOLLARS (\$537,072) during each and every year of the second Option Period;
- (iii) FIVE HUNDRED SEVENTY SEVEN THOUSAND ONE HUNDRED FIFTY TWO DOLLARS (\$577,152) during each and every year of the third Option Period; and
- (iv) SIX HUNDRED SEVENTEEN THOUSAND TWO HUNDRED THIRTY TWO DOLLARS (\$617,232) during each and every year of the fourth Option Period.

If Tenant shall elect to exercise the aforesaid option or options, it shall do so by giving written notice to Landlord not less than nine (9) months prior to the expiration of the term of this lease or of this lease as extended.

(b) 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 written notice to Landlord not less than nine (9) months prior to the expiration of the term of this lease or of this lease as extended. 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.

Repairs and
Maintenance

14. Tenant shall make and pay for all maintenance, replacement and repair (including maintenance, replacement and repair of heating, ventilating and air conditioning systems and plate glass) necessary to keep the demised premises in a good state of repair and in tenantable condition, except for the following maintenance, replacement or repair which shall remain the Landlord's sole responsibility:

- (i) all maintenance, replacement and repair to the roof, outer walls (excluding doors and windows) and structural portions of the building which shall be necessary to maintain the building in a safe, dry and tenantable condition and in good order and repair;
- (ii) all maintenance, replacement and repair of underground utility installations and underground electrical conduit and wire; including, but not limited to, repairs, maintenance and replacements which are occasioned by settlement of the demised premises, or a portion thereof, or caused by soil conditions (but not a change in use by Tenant); and
- (iii) all maintenance, replacement and repair (including sweeping, striping and snow and ice removal) necessary to maintain all driveways, sidewalks, street and parking areas free of all settling, clear of standing water and in a safe, sightly and serviceable condition, free of chuck holes, fissures and cracks.

Notwithstanding anything herein contained to the contrary and in addition to the annual minimum rentals and other charges required to be paid by Tenant to Landlord, Tenant agrees to reimburse Landlord for a proportionate share of Landlord's costs to maintain the common areas existing from time to time on the land described in Exhibit "A-1" (exclusive of building areas). Landlord's costs to maintain the common areas shall include all amounts paid by Landlord, during the lease term, for (i) cleaning, sweeping, snow and ice removal, drainage and restriping of the parking areas, sidewalks, service drives and driveways, (ii) maintenance, repair and upkeep of the common areas, (iii) maintenance repair and replacement of parking lot lighting standards, bulbs and lights, (iv) electrical charges in connection with the lighting of the parking lot and service drive areas during Tenant's normal business hours to a minimum of one and one half (1-1/2) foot candles at ground level, (v) comprehensive general liability insurance on the common areas (said insurance to be maintained in the amount of not less than ONE MILLION DOLLARS (\$1,000,000) per person and TWO MILLION DOLLARS (\$2,000,000) per accident, said insurance to name Tenant as an additional insured and Landlord to furnish Tenant with a Certificate of Insurance as evidence thereof and (vi) fifteen percent (15%) of the total of the foregoing as administrative expense, wages and salaries of persons directly and actually performing the above described services. Landlord shall submit to Tenant, on a quarterly basis, an accounting and itemization of all such costs expended by Landlord in the performance of the duties and obligations as set forth hereinabove. Tenant shall reimburse Landlord for Tenant's proportionate share of the total of said costs to maintain the common areas within thirty (30) days from receipt of said accounting from Landlord. Tenant reserves the right to inspect Landlord's records with respect thereto and to set forth specific objections thereof.

Subject to the provisions hereof and the limitations herein contained, Tenant shall pay to Landlord its pro rata share of "Landlord's Common Area Maintenance Costs" (Landlord's Common Area Maintenance Costs shall mean all of the Landlord's costs to maintain the common areas as hereinbefore described in this Article 14). (All of the Landlord's Common Area Maintenance Costs taken together herein jointly referred to as "occupancy charges".) Tenant's pro rata share of such occupancy charges shall be the product obtained by multiplying the total amount of occupancy charges in any lease year by a fraction, the numerator of which shall be the square foot floor area of Tenant's building and the denominator of which shall be the square foot floor area of all the buildings constructed upon the land described in Exhibit "A-1" (including Tenant's building). Tenant's pro rata share of Landlord's Common Area Maintenance Costs, excluding the cost of snow removal, shall be limited to the amount of fifty cents (\$0.50) per square foot of floor area in the first lease year, compounded thereafter by a factor of seven (7%) percent of the allowable maximum of such costs for each succeeding lease year. (For example, the maximum amount in the fourth (4th) lease year shall be one hundred seven (107%) percent of the maximum allowable cost (not the actual cost) of the third (3rd) lease year.) Tenant shall pay Landlord any amount in excess of the limitation set forth herein, but such excess in such year shall be a credit against any additional rental payable to Landlord under Article 4 hereof in such year. In addition to the above pro rata share, Tenant shall pay to Landlord its pro rata share of snow removal costs on the common areas. Snow removal expenses shall not be utilized in determining the allowable maximum of Landlord's Common Area Maintenance Costs for each year.

In the event the building or improvements constituting the 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; provided, however, Landlord shall have fifteen (15) days following Tenant's written notification that such repairs are required to complete such repairs, or such longer period as may be required to complete such repairs (provided Landlord is diligently proceeding to make such repairs), before the abatement shall occur. Emergency repairs, which shall be Landlord's responsibility hereunder and which shall be necessary to protect the building 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 TWO THOUSAND DOLLARS (\$2,000.00) in any one instance, shall be paid by Landlord to Tenant within thirty (30) days following receipt of Tenant's bill therefor.

Alterations
and Addi-
tional
Construction

15. Tenant may, at its own expense, from time to time, make such alterations, additions or changes, structural or otherwise, in and to its building as it may deem necessary or suitable; provided, however, Tenant shall obtain Landlord's prior written consent to drawings and specifications for structural alterations, additions or changes; provided, further, Landlord shall not withhold its consent thereto if the structural integrity of the building will not be impaired by such work. The term "structural changes" as used herein, shall not include moving of non-load bearing partitions, relocation of building entry doors, minor plumbing and electrical work, modification and rearrangement of fixtures or other minor changes. Landlord, at Tenant's cost, shall cooperate with Tenant in securing building and other permits or authorizations required from time to time for any work permitted hereunder or for installations permitted hereunder by Tenant.

In the event Tenant shall make any alterations, additions or changes to the demised premises, as hereinbefore provided, it shall:

- (i) pay all costs, expenses and charges thereof,
- (ii) make the same in accordance with applicable laws and building codes and in a good and workmanlike manner,
- (iii) fully and completely indemnify Landlord against any mechanic's lien or other liens or claims in connection with the making thereof, and
- (iv) not thereby diminish the value of the demised premises or the shopping center.

Upon completion of any such alterations, additions or changes the same shall thereupon become a part of the demised premises.

Utilities

16. Landlord covenants and agrees that the demised premises shall be properly serviced with gas, electric, telephone, water, sewer and other utilities sufficient to meet Tenant's requirements as of the commencement of the lease term. Tenant shall pay all charges for utility services furnished to the demised premises during the lease term; provided, however, not later than the date on which Tenant shall first enter the building for the purpose of installing fixtures, storing merchandise or accomplishing other construction activities in conjunction with Landlord's preparation of the said building for Tenant's occupancy (herein called the "Fixturing Date"), Landlord and Tenant's field representative shall agree, in writing, as to a date prior to the commencement of the lease term on which Tenant will begin to pay one hundred percent (100%) of the cost of utilities delivered or supplied to the demised premises. Such agreement will be by mutual consent, based upon the relative amount of work to be completed by each party between the Fixturing Date and the commencement of the lease term.

In no event shall Landlord be liable for any interruption in the furnishing of such utility services nor shall any interruption of such utility services entitle Tenant to any rent abatement, unless such utility interruption shall be due to the negligence of Landlord or Landlord's employee's, agents or assigns.

Governmental Regulations

17. Tenant shall observe and comply with all requirements, rules, orders and regulations of the federal, state and municipal governments or other duly constituted public authority affecting said demised premises, including the making of non-structural alterations, insofar as they are due to Tenant's occupancy; provided, however, in the event such rules, orders and regulations shall require structural changes, including, but not limited to, erection of fire escapes or exits, that are not specifically due to Tenant's occupancy, Landlord shall be obligated to comply with same, at its sole cost and expense, so long as the lease term then has not less than five (5) full lease years remaining (or Tenant shall then elect to extend the lease term for the next renewal term). In the event that there shall be less than five (5) full lease years then remaining in the lease term (or Tenant shall elect not to extend the lease term), Landlord shall have the option to make such changes, at its sole cost and expense, or cancel this lease upon one hundred twenty (120) days written notice to Tenant, provided, however, Tenant shall have the right, in the event Landlord shall so elect to cancel this lease, to make such alterations, at its sole risk, cost and expense, and the lease shall continue in full force and effect. All non-structural interior alterations so required shall be Tenant's sole obligation to complete.

Exculpation

18. In the event of a breach of any agreement, condition, covenant, or provision, hereof, on the part of Landlord to be observed or performed and, as a result thereof, Tenant shall obtain a money judgement against Landlord therefor, such money judgement shall be satisfied only out of the proceeds of sales received upon execution and levy thereon against the right, title and interest of Landlord in the demised premises and the shopping center and neither Landlord, whether a corporation, partnership, person or trust, nor the officers, directors or shareholders of Landlord, if a corporation, nor the partners of Landlord, if a partnership, nor the trustees or beneficiaries of Landlord, if a trust, shall be liable therefor, except as aforesaid (that is, Tenant shall look solely to Landlord's interest in and to the real and personal property constituting the demised premises and shopping center and not to any other assets or interests of Landlord for recovery of any claim hereunder). Notwithstanding the foregoing, Landlord shall not be released from the obligations imposed by Article 8 of this Lease which shall be binding upon the Landlord, and the partners of Landlord, personally until the end of the one year after the date of occupancy. From and after such date there shall be no personal liability unless Tenant has notified Landlord of a claim prior to the one-year period and such claim has not been finalized.

Damage to Demised Premises

19. From and after the "date of occupancy by Tenant", as that term is hereinbefore defined in Article 11, hereof, should Tenant's guarantor's (K mart Corporation) net worth at any time be less than ONE HUNDRED MILLION DOLLARS (\$100,000,000), upon written request of the Landlord, or Landlord's mortgagee, Tenant shall procure fire insurance with extended coverage endorsement upon the building erected by Landlord (pursuant to Article 6, hereof) in an amount equal to the replacement value of the building above the foundation walls. At any time while Tenant's guarantor's (K mart Corporation) net worth shall exceed ONE HUNDRED MILLION DOLLARS (\$100,000,000), Tenant may elect to self-insure its obligation to restore.

Policies of fire insurance procured pursuant to this Article 19 shall assure and be payable to Landlord, Tenant and Landlord's mortgagee, if any, and shall provide for release of insurance proceeds to Tenant for restoration of loss.

Landlord and Landlord's mortgagee, if any, shall, in the event fire insurance is procured pursuant to this Article 19, be furnished certificates from the insuring company showing the existence of such insurance. In case of loss, Tenant is hereby authorized upon written notice to Landlord to adjust the loss and execute proof in the name of all parties in interest.

In the event that, at any time during the lease term, the permanent improvements then constituting Tenant's building and site improvements shall be damaged or destroyed (partially or totally) by fire or any other casualty, Tenant shall, at its expense, promptly and with due diligence, either (i) repair, rebuild and restore the same, as nearly as practicable, to the condition existing just prior to such damage or destruction or (ii) repair, rebuild and restore the same for the same use and purposes, but in accordance with such plans and specifications as are then generally in use by Tenant for the construction of a Builders Square building and related structures provided, however, the repaired, rebuilt or replaced building will have a value not less than its value just prior to said loss.

Anything herein to the contrary notwithstanding, it is understood and agreed that if (i) 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 fifty percent (50%) of the value of Tenant's fixtures or (ii) such damage or destruction shall have taken place within five (5) years of the then scheduled expiration date of the current term of the lease and if the extent of such damage or destruction is such that the cost of restoration would exceed fifty percent (50%) of the amount it would have cost to replace the Tenant's building on the demised land, in its entirety, at the time such damage or destruction took place, then and, in either of such event, Tenant may terminate this lease as of the date of such damage or destruction by giving written notice to Landlord within thirty (30) days thereafter and Tenant shall have an additional sixty (60) days, rent free, within which to remove its property from the demised premises.

In the event this lease is terminated, as hereinbefore provided, and if Tenant is carrying fire insurance equal to the replacement value of the building above the foundation walls, all the insurance proceeds shall belong to Landlord and/or Landlord's mortgagee, if any, as their interest may appear. In the event the property is self-insured at the time of the loss, Tenant shall reimburse Landlord and/or Landlord's mortgagee, as their interest may appear, for an amount equivalent to the insurance proceeds that would have been paid had insurance been in force, but not to exceed the replacement value of the building above the foundation walls. In the event that this lease shall be terminated, as hereinabove provided, all unearned rent and other charges paid in advance shall be refunded to Tenant.

In the event that, at any time during the lease term, any building or buildings owned by Landlord within the site depicted on Exhibit "B", other than Tenant's building, shall be damaged or destroyed (partially or totally) by fire, the elements or any other casualty, Landlord shall use its best efforts to 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 or, in the alternative, Landlord shall use its best efforts to clear, clean and raze the damaged buildings.

Each party hereto has hereby remised, released and discharged the other party hereto and any officer, agent, employee or representative of such party of and from any liability whatsoever hereafter arising from loss, damage or injury caused by fire or other casualty from which insurance (permitting waiver of liability and containing waiver of subrogation) is carried by the party at the time of such loss, damage or injury to the extent of any recovery by the injured party under such insurance.

Eminent
Domain

20. In the event that all of Tenant's building constructed by Landlord shall be expropriated or the points of ingress and egress to the public roadways, substantially as depicted on Exhibit "B", shall be permanently impaired by a public or quasi-public authority so as to render, in Tenant's reasonable opinion, the demised premises unsuitable for its intended purpose, Tenant shall have the option to terminate this lease as of the date Tenant shall be deprived or denied thereof. For the purposes hereof, permanently impaired shall mean a denial of ingress and egress for a period exceeding three (3) months.

In the event that less than the whole but more than ten percent (10%) of Tenant's building constructed by Landlord 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 written notice to Landlord of such election so to terminate within ninety (90) days from the date of such dispossession.

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

Without limiting the foregoing, in the event that any of the land described in Exhibit "A-1" shall be expropriated by public or quasi-public authority, Landlord shall make every effort to substitute equivalent and similarly improved lands contiguous to and properly integrated with the remainder of the site depicted on Exhibit "B". If Landlord shall be unable to substitute such lands and if one or more expropriations shall in total deprive Tenant of the use of more than ten percent (10%) of the land described in Exhibit "A-1", then, in such event, Tenant shall have the option to terminate this lease at any time within sixty (60) days after such deprivation becomes effective by giving written notice to Landlord.

In the event this lease shall be terminated pursuant to this Article 20, any annual minimum rental and other charges paid in advance shall be refunded to Tenant and Tenant shall have an additional thirty (30) 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 building, Tenant shall not have fully amortized expenditures which it may have made on account of any improvements, alterations or changes to its buildings, Landlord shall assign to Tenant that portion 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 expenditures 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 may have been subsequently extended; provided, however, in no event shall the denominator exceed five (5).

Tenant shall not be entitled to share in any award made by reason of expropriation of Landlord's building on the demised premises, or any part thereof, by public or quasi-public authority, except as set forth in the preceding paragraph of this Article 20 relative to unamortized expenditures by Tenant and then only if the award for such unamortized expenditures shall be made by the expropriating authority in addition to the award for the land,

building and other improvements (or portions thereof) comprising the demised premises; provided, however, Tenant's right to receive compensation for damages or to share in any award shall not be affected in any manner hereby if said compensation, damages or award is made by reason of the expropriation of any land or buildings or improvements constructed, made or owned by Tenant.

Insurance
By
Tenant

21. Tenant shall keep in full force and effect a policy of public liability and property damage insurance with respect to the demised premises and the business operated by Tenant therein in which the limits of public liability coverage shall be not less than \$1,000,000 per occurrence for personal injury liability and in which the limit for property damage liability coverage shall not be less than \$100,000 per occurrence. If Tenant's insurance carrier provides a combined single limit for both personal injuries and property damage, then the limit shall not be less than \$1,000,000 per occurrence. Such policy shall include Landlord as an additional insured and shall contain a clause that the insurer will not cancel or change the insurance without first giving Landlord ten (10) days prior to written notice.

Tenant shall keep in full force and effect adequate insurance against fire and such other risks as are, from time to time, included in standard extended coverage endorsements insuring (i) Tenant's Chattels located on or within the demised premises and (ii) alterations, decorations and improvements to the demised premises made by Tenant (whether or not constituting a part of the demised premises).

All of such insurance policies shall be underwritten by insurance companies licensed to do business in the State of Ohio. Tenant shall furnish Landlord a certificate evidencing such coverages within thirty (30) days after written request therefor by Landlord.

So long as Tenant's Guarantor's net worth shall be in excess of ONE HUNDRED MILLION DOLLARS (\$100,000,000), Tenant shall have the right to self insure its insurance obligations under this lease.

Use, Assign-
ment Sub-
letting and
Other
Restrictions

22. The premises hereby demised may be used for any lawful retail purpose; provided such use does not violate any restrictions set forth in Exhibit "D", attached hereto. Tenant may assign this lease or sublet the whole or any part of the demised premises, but if it does so, it shall remain liable and responsible under this lease.

Tenant shall not use any of the common areas for its own business purposes without the prior written consent of Landlord, which consent may or may not be conditioned upon special insurance requirements, but, in any event, will not be unreasonably withheld.

Neither Tenant, Tenant's employees or agents nor any sub-tenant, licensee or concessionaire of Tenant shall solicit business in the common areas or shall place handbills or other advertising matter in or on automobiles parked in the parking area or in other common areas of the shopping center of which the demised premises forms a part, unless Tenant shall have received the prior written consent of Landlord.

The shopping center to be constructed by Landlord may be used for any lawful commercial retail purpose; provided, however, that no portion thereof shall be occupied or used, directly or indirectly, for a bowling alley, arcade, game room, amusement center, amusement gallery, amusement park, carnival, skating rink, billiard room, massage parlor, adult book store, ballroom, pool room, off track betting club, dance hall, discotheque, beauty school, barber college, health club, offices (other than a full service bank office, savings and loan association office, or credit union), place of instruction, reading room, meeting hall, auditorium, place of public assembly flea market, funeral parlor, car wash, or any operation catering primarily to students or trainees rather than to customers. All business operated in said shopping center shall be operated on a full-time basis during at least normal business hours Monday through Saturday; no business shall be operated on a part-time basis (i.e., for only a portion of the week or month). The foregoing shall not require the continuous use or occupation of any portion of said shopping center but is only intended to prohibit businesses in said shopping center which operate on a part-time basis for only a portion of the week or month, such as a discount store operation which is open only as it has stock available to sell.

No building, structure or business shall be constructed or operated in said shopping center which shall be inconsistent with the operation of a family-type, retail shopping center and any building, structure or business shall be attractive, both in its physical characteristics and in appeal, to customers and retail trade.

No use of said shopping center shall interfere with the use of the common areas or impede the free flow of pedestrian or vehicular traffic thereon.

Said shopping center and any improvements thereon shall be continuously maintained and repaired so as to at all times be in a first class condition, reasonably free and clear of all debris and accumulation of ice, snow and water.

Signs

23. The demised premises shall be referred to by only such designation as Tenant may indicate. Landlord expressly recognizes that the service mark and trademark "Builders Square" is the valid and 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 "Builders Square" or any of Tenant's registrations pertaining thereto, in the United States or elsewhere, nor adopt or use said mark or any term, word, mark or designation which is in any aspect similar to the mark of Tenant. Landlord further agrees that it will not, at any time, do or cause to be done any act or thing, directly or indirectly, which contests or in any way impairs or tends to impair any part of Tenant's right, title and interest in the aforesaid mark and Landlord shall not in any manner represent that it has ownership interest in the aforesaid mark or registrations therefor. Landlord specifically acknowledges that any use thereof pursuant to this lease shall not create in Landlord any right, title or interest in the aforesaid mark.

Landlord warrants that, subject to the approval of the appropriate governmental agencies, Tenant shall have the right to erect the exterior signage as shown in Exhibit "C".

In the event Landlord shall elect to install a shopping center pylon sign, Landlord may do so at its sole election and expense and at a location determined by Landlord; provided, however, said location will not adversely affect Tenant's use of the demised premises. In the event Landlord permits identification signs of any tenant within the shopping center to be placed thereon, then Tenant shall have the right to place a sign thereon; provided, however, that Tenant shall pay its pro rata share of the cost of installation and maintenance thereof.

Landlord shall not permit any other signs, billboards or posters to be displayed on any portion of the land described in Exhibit "A-1", except for a pylon sign for a cinema.

Ingress and Egress

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

Landlord's Remedies

25. 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 written notice to Tenant of such default, then Landlord may, by giving written notice to Tenant, at any time thereafter during the continuance of such default, either (i) terminate this lease or (ii) re-enter the 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, the reasonable cost of any repairs and alterations necessary to prepare it for reletting and the reasonable cost of attorney fees in connection with the reletting of the premises. 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 written notice of such 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.

Bankruptcy

26. If a petition of bankruptcy or reorganization shall be filed by or against Tenant, Tenant shall become bankrupt, Tenant shall make a general assignment for the benefit of creditors, or in any proceeding based upon the insolvency of Tenant a receiver or trustee of all of 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 written notice to Tenant of its intention so to do; provided, however, neither bankruptcy, insolvency, reorganization, an assignment for the benefit of creditors nor the appointment of a receiver or trustee 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

27. 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 in or otherwise 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, in the event Tenant's business shall be materially affected by such title failure, to annul and void this lease with full reservation of its right to damages, if any.

Landlord further covenants, represents and warrants that it is seized of an indefeasible estate in fee simple or has a good and marketable leasehold title to the lands described in Exhibits "A" and "A-1", free and clear of any liens, encumbrances, restrictions and violations (or claims or notices thereof), except as follows:

- (i) Public utility easements not impairing Tenant's use of the demised premises.
- (ii) Reciprocal Easement and Operation Agreement between Plaza Chapel Hill East Company, Plaza Chapel Hill, Howe-Lot I Development Company, Howe-Lot II Development Company, Plaza Chapel Hill Akron Company and Toys "R" Us, Inc.
- (iii) Use restrictions of record that do not impair Tenant's use of the demised premises as a Builders Square.

Landlord shall, without expense to Tenant and prior to the commencement of construction of Tenant's building, furnish to Tenant (i) a survey by a licensed surveyor of the lands described in Exhibits "A" and "A-1" and (ii) 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
Subordination

28. 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

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

Tenant's
Right to
Cure
Landlord's
Defaults

30. In the event Landlord shall neglect to pay when due any obligations on any mortgage or encumbrance affecting title to the demised premises and to which this lease shall be subordinate or shall fail to perform any obligation specified in this lease and such default by Landlord shall, in Tenant's sole opinion, materially interfere with Tenant's business, then Tenant may, after the continuance of any such default for thirty (30) days after written notice thereof by Tenant to Landlord, pay said 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 twelve percent (12%) per annum (or the highest rate permitted by law, whichever is the higher) from the date of payment until re-payment and Tenant may, to the extent necessary, withhold any and all rental payments and other payments thereafter due to Landlord and apply the same to the payment of such indebtedness unless a mortgagee is in possession. In the event Landlord's default requires more than thirty (30) days to cure, Tenant shall not proceed to cure paid default so long as Landlord is diligently proceeding to cure said default.

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 provide such holder with a duplicate copy of any notice sent to Landlord covering a default hereunder and such holder shall be granted sixty (60) days after receipt thereof to correct or remedy such default.

Condition of
Premises at
Termination

31. At the expiration or earlier termination of the lease term Tenant shall surrender the demised premises, together with alterations, additions and improvements then a part thereof, in good order and condition, except for the following: (i) ordinary wear and tear, (ii) repairs required to be made by Landlord and (iii) loss or damage by fire, the elements and other casualty (unless Tenant is required to restore hereunder). All furniture and trade fixtures installed in said building 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, which option shall be exercised by written 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.

Unavoidable
Delays

32. If either party shall be prevented or delayed from punctually performing any obligation or satisfying any condition under this lease by any strike, lockout, labor dispute, inability to obtain labor or materials (or reasonable substitutes therefor), Act of God, governmental restriction, regulation or control, enemy or hostile governmental action, civil commotion, insurrection, sabotage fire or other casualty or any other condition beyond the reasonable control of such party, then the time to perform such obligation or satisfy such condition shall be extended by the delay caused by such event.

Access to
Premises

33. Landlord shall have free access to the demised premises, at reasonable times and at any time for emergency purposes, for the purpose of examining the same or to make any alterations or repairs to the demised premises that Landlord may deem necessary for its safety or preservation or that Landlord is required to make and also during the last three (3) months

of the lease or lease term as extended for the purpose of exhibiting the demised premises and putting up the usual notice "To Rent" sign, which sign shall not be removed, obliterated or hidden by Tenant; provided, however, such sign shall not block or hide Tenant's signs and shall not interfere with Tenant's use of the demised premises.

No Waiver

34. The failure of either party to seek redress for violation of or to insist upon the strict performance of any term, covenant or condition contained in this lease shall not prevent a similar subsequent act from constituting a default under this lease.

No waiver of any agreement, condition, covenant or provision shall be valid unless it is in writing nor shall the waiver of a breach of any agreement, condition, covenant or provision be claimed or pleaded to excuse a future breach of the same agreement, condition, covenant or provision or any other agreement, condition, covenant or provision.

No waiver by Landlord in respect to one tenant of the Shopping Center shall constitute a waiver in respect to any other tenant.

Acceptance by Landlord of a lesser amount than the amount actually due hereunder, whether for rents or other charges, shall not prejudice Landlord's right to collect the full amount due.

Holding Over

35. In the absence of any written agreement to the contrary, if Tenant should remain in occupancy of the 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 immediately prior thereto shall remain in full force and effect.

Investment
Tax Credit

36. Landlord hereby agrees to elect under the applicable provisions of the Internal Revenue Code of 1954, as amended (hereinafter referred to as the "Code"), to pass through to the Tenant all investment tax credit which may be available from time to time in respect of the demised premises under Section 38 of said Code to the extent such investment tax credit is not usable under said Code by the Landlord, its successors and assigns. Landlord agrees to timely execute all documents required by said Code, and regulations issued thereunder, to enable Tenant to obtain such investment tax credit.

Landlord further agrees to maintain adequate records so that the qualifying property can be identified and the cost thereof can be determined and to provide such records to the Tenant upon written request and otherwise to cooperate with Tenant in said matter. Landlord agrees not to destroy or otherwise dispose of such records until written consent to such destruction or disposal has been obtained from Tenant.

Notices

37. 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 San Antonio Texas or to any subsequent address which Landlord and/or Tenant shall designate for such purpose. The date of notice shall be the date on which such notice is deposited in a post office of the United States Postal Service. (Herbert A. Polk, 4911 Caroline Avenue #1, Warrensville, Ohio 44128, shall be provided with a copy of all notices sent to Landlord.)

Warrensville Heights

Captions and Definitions

38. Marginal captions of this lease are solely for convenience of reference and shall not in any way limit or amplify the terms and provision thereof. The necessary grammatical changes which shall be required to make the provision of this lease apply (i) in the plural sense, if there shall be more than one Landlord and (ii) 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.

Partial Invalidity

39. If any term, covenant or condition of this lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term, covenant or condition of this lease shall be valid and be enforced to the fullest extent permitted by law.

Estoppel Letter

40. Tenant agrees, in the event of a bona fide sale or transfer of Landlord's interest in the demised premises or a mortgage of same, within ten (10) days after request therefor by Landlord, to execute, in recordable form, and deliver to Landlord a statement, in writing, certifying (a) that this lease is in full force and effect, (b) the date of commencement of the term of this lease, (c) that rent is paid currently and (d) the amount of rent, if any, paid in advance.

Transfer of Landlord's Interest

41. In the event of any transfer or transfers of Landlord's interest in the demised premises, the transferor shall be automatically relieved of any and all obligations and liabilities on the part of Landlord accruing from and after the date of such transfer. No holder of a mortgage to which this lease is or may be subordinate shall be responsible in connection with any security hereunder, unless such mortgagee shall have actually received such security.

Entire Agreement

42. This lease, the Exhibits, and Amendments or Addendums, if any, attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions, provisions and understandings between Landlord and Tenant concerning the demised premises and there are no covenants, promises, agreements, conditions, provisions or understandings, either oral or written, between them other than are herein set forth. No alteration, amendment, change or addition to this lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by each party.

Brokers

43. Landlord shall pay all real estate brokers' commissions due as a result of the consummation of this lease; and Landlord shall hold Tenant harmless against any and all claims for such commissions which may arise as a result of this lease.

Laws of State

44. This lease shall be governed by and constructed in accordance with the laws of the State of Ohio.

Successors and Assigns

45. 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

46. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

WITNESSES:

PLAZA CHAPEL HILL EAST COMPANY

Laura Reisch
Shirley Henderson

By: [Signature] Partner
By: [Signature] Partner

BUILDERS SQUARE, INC.

Michael R. Mott
Linda C. Matthews

By: [Signature] President
Attest: [Signature] Asst. Secretary

ACKNOWLEDGMENTS

STATE OF TEXAS)
COUNTY OF BEXAR)SS

I do hereby certify that on this 16th day of JULY, 1985⁶, before me, DEBI WAITING, a Notary Public in and for the County and State aforesaid, and duly commissioned, personally appeared FRANK W. DENNY and S. KENT FORNER, known to me to be the President and Assistant Secretary of Builders Square, Inc., who, being by me duly sworn, did depose and say that they reside in Bexar County, Texas; that they are the President and Assistant Secretary respectively of Builders Square, Inc., 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: 9/9/89

Debi Waiting
Notary Public

ACKNOWLEDGEMENT FOR PARTNERSHIP

STATE OF OHIO) SS
COUNTY OF CUYAHOGA)

On the 18th day of June, 19 86, before me personally came Herbert A. Polk and Anthoni Visconsi II, to me known, who, being by me duly sworn, did depose and say that ~~he~~ she is/are a partner/partners in Plaza Chapel Hill Co. the firm of _____, a partnership, and that he/they executed the foregoing instrument on behalf of said firm.

James P. Henderson J
Notary Public

Giffels, Bergstrom & Fricker, Inc.

ENGINEERS AND ARCHITECTS

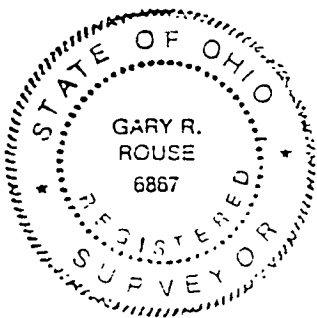
EMMET J. McDONALD DIVISION • CIVIL ENGINEERS AND SURVEYORS
245 Frank Blvd. • Akron, Ohio 44313 • 216-836-0228

April 30, 1986

Legal Description The Plaza at Chapel Hill Builders Square Parcel

Situated in the Cities of Akron and Cuyahoga Falls, County of Summit, State of Ohio and known as being part of Lot 2, Tract 5, formerly Tallmadge Township and more fully described as follows:

Beginning at a monument at the intersection of the easterly line of said Lot 2 and the Cuyahoga Falls/Akron Corporation Line;
Thence N 86° 30' 00" W along said Cuyahoga Falls/Akron Corporation Line a distance of 319.97 feet to a point;
Thence S 22° 47' 52" E a distance of 160.79 feet to a point which is the True Place of Beginning for the parcel of land herein described;
Thence S 67° 12' 08" W a distance of 120.00 feet to a point;
Thence S 22° 47' 52" E a distance of 30.00 feet to a point;
Thence S 67° 12' 08" W a distance of 80.00 feet to a point;
Thence N 22° 47' 52" W a distance of 30.00 feet to a point;
Thence S 67° 12' 08" W a distance of 129.33 feet to a point;
Thence S 22° 47' 52" E a distance of 30.00 feet to a point;
Thence S 67° 12' 08" W a distance of 90.67 feet to a point;
Thence N 22° 47' 52" W a distance of 246.00 feet to a point;
Thence N 67° 12' 08" E a distance of 420.00 feet to a point;
Thence S 22° 47' 52" E a distance of 216.00 feet to a point which is the True Place of Beginning and containing 2.2002 Acres of land, more or less, as determined in April, 1986 by Gary R. Rouse, Registered Surveyor with Giffels, Bergstrom & Fricker, Inc., but subject to all legal highways and any restrictions, reservations or easements of record.





Gary R. Rouse - Reg. No. 6867

EXHIBIT "A"
(Builders Square Property)

Giffels, Bergstrom & Fricker, Inc.

ENGINEERS AND ARCHITECTS

EMMET J. McDONALD DIVISION • CIVIL ENGINEERS AND SURVEYORS
245 Frank Blvd. • Akron, Ohio 44313 • 216-836-0228

MAY 30, 1986

LEGAL DESCRIPTION PLAZA CHAPEL HILL EAST CO. PROPERTY SHOPPING CENTER PARCEL

SITUATED IN THE CITIES OF AKRON AND CUYAHOGA FALLS, COUNTY OF SUMMIT, STATE OF OHIO AND KNOWN AS BEING PART OF LOT 2, TRACT 5, FORMERLY TALLMADGE TOWNSHIP AND MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINE INTERSECTION OF HOWE AVENUE (66' WIDE) AND MAIN STREET (60' WIDE);

THENCE S $86^{\circ} 30' 00''$ E ALONG SAID HOWE AVENUE CENTERLINE A DISTANCE OF 2934.20 FEET TO A POINT;

THENCE S $03^{\circ} 30' 00''$ W A DISTANCE OF 33.00 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID HOWE AVENUE;

THENCE S $03^{\circ} 42' 30''$ W ALONG THE WESTERLY LINE OF A PARCEL OF LAND DEEDED TO THE CITY OF CUYAHOGA FALLS (D.V. 7086, PAGES 33 & 34) A DISTANCE OF 454.08 FEET TO A POINT WHICH IS THE TRUE PLACE OF BEGINNING FOR THE PARCEL OF LAND HEREIN DESCRIBED;

THENCE CONTINUING S $03^{\circ} 42' 30''$ W ALONG THE WESTERLY LINE OF SAID CITY OF CUYAHOGA FALLS PARCEL A DISTANCE OF 205.92 FEET TO A POINT ON THE CUYAHOGA FALLS-AKRON CORPORATION LINE;

THENCE N $86^{\circ} 30' 00''$ W ALONG THE CUYAHOGA FALLS-AKRON CORPORATION LINE A DISTANCE OF 114.33 FEET TO A POINT;

THENCE S $23^{\circ} 58' 40''$ W A DISTANCE OF 216.08 FEET TO A POINT;

THENCE S $67^{\circ} 12' 08''$ W A DISTANCE OF 360.00 FEET TO A POINT OF CURVATURE;

THENCE ALONG THE ARC OF A CIRCLE CURVING TO THE LEFT HAVING A CENTRAL ANGLE OF $28^{\circ} 30' 00''$, RADIUS OF 100.00 FEET, TANGENT OF 25.40 FEET, CHORD OF 49.23 FEET, CHORD BEARING S $52^{\circ} 57' 08''$ W AND AN ARC LENGTH OF 49.74 FEET TO A POINT OF TANGENCY;

THENCE S $38^{\circ} 42' 08''$ W A DISTANCE OF 84.53 FEET TO A POINT;

THENCE N $22^{\circ} 47' 52''$ W A DISTANCE OF 265.47 FEET TO A POINT;

THENCE N $86^{\circ} 30' 00''$ W A DISTANCE OF 223.85 FEET TO A POINT;

THENCE N $03^{\circ} 30' 00''$ E A DISTANCE OF 545.00 FEET TO A POINT;

THENCE S $86^{\circ} 30' 00''$ E A DISTANCE OF 95.00 FEET TO A POINT OF CURVATURE;

THENCE ALONG THE ARC OF A CIRCLE CURVING TO THE RIGHT HAVING A CENTRAL ANGLE OF $30^{\circ} 18' 11''$, A RADIUS OF 147.71 FEET, A TANGENT OF 40.00 FEET, A CHORD OF 77.22 FEET, A CHORD BEARING S $71^{\circ} 20' 54''$ E AND AN ARC LENGTH OF 78.12 FEET TO A POINT OF TANGENCY;

THENCE S $56^{\circ} 11' 48''$ E A DISTANCE OF 38.91 FEET TO A POINT OF CURVATURE;

Exhibit "A-1"

THENCE ALONG THE ARC OF A CIRCLE CURVING TO THE LEFT HAVING A CENTRAL ANGLE OF $30^{\circ} 18' 11''$, A RADIUS OF 147.71 FEET, A TANGENT OF 40.00 FEET, A CHORD OF 77.22 FEET, A CHORD BEARING $S 71^{\circ} 20' 54'' E$ AND AN ARC LENGTH OF 78.12 FEET TO A POINT OF TANGENCY;

THENCE $N 03^{\circ} 30' 00'' E$ A DISTANCE OF 388.00 FEET TO A POINT ON THE NEW SOUTHERLY LINE OF SAID HOWE AVENUE (WIDENED 12 FEET);

THENCE $S 86^{\circ} 30' 00'' E$ ALONG THE NEW SOUTHERLY LINE OF SAID HOWE AVENUE A DISTANCE OF 15.00 FEET TO A POINT;

THENCE $S 03^{\circ} 30' 00'' W$ A DISTANCE OF 388.00 FEET TO A POINT;

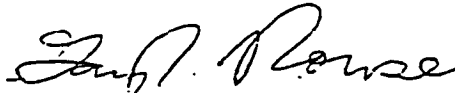
THENCE $S 86^{\circ} 30' 00'' E$ A DISTANCE OF 363.67 FEET TO A POINT;

THENCE $N 03^{\circ} 30' 00'' E$ A DISTANCE OF 30.92 FEET TO A POINT;

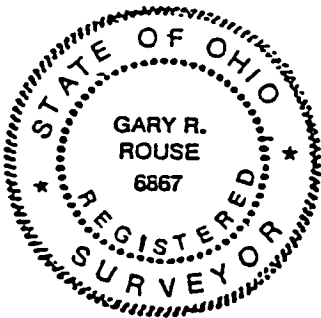
THENCE $S 86^{\circ} 30' 00'' E$ A DISTANCE OF 184.68 FEET TO A POINT;

THENCE $S 03^{\circ} 30' 00'' W$ A DISTANCE OF 85.00 FEET TO A POINT;

THENCE $S 86^{\circ} 30' 00'' E$ A DISTANCE OF 100.00 FEET TO A POINT WHICH IS THE TRUE PLACE OF BEGINNING AND CONTAINING 11.1649 ACRES OF LAND, MORE OR LESS, AS DETERMINED IN MAY, 1986 BY GARY R. ROUSE, REGISTERED SURVEYOR WITH GIFFELS, BERGSTROM & FRICKER, INC., BUT SUBJECT TO ALL LEGAL HIGHWAYS AND ANY RESTRICTIONS, RESERVATIONS OR EASEMENTS OF RECORD.

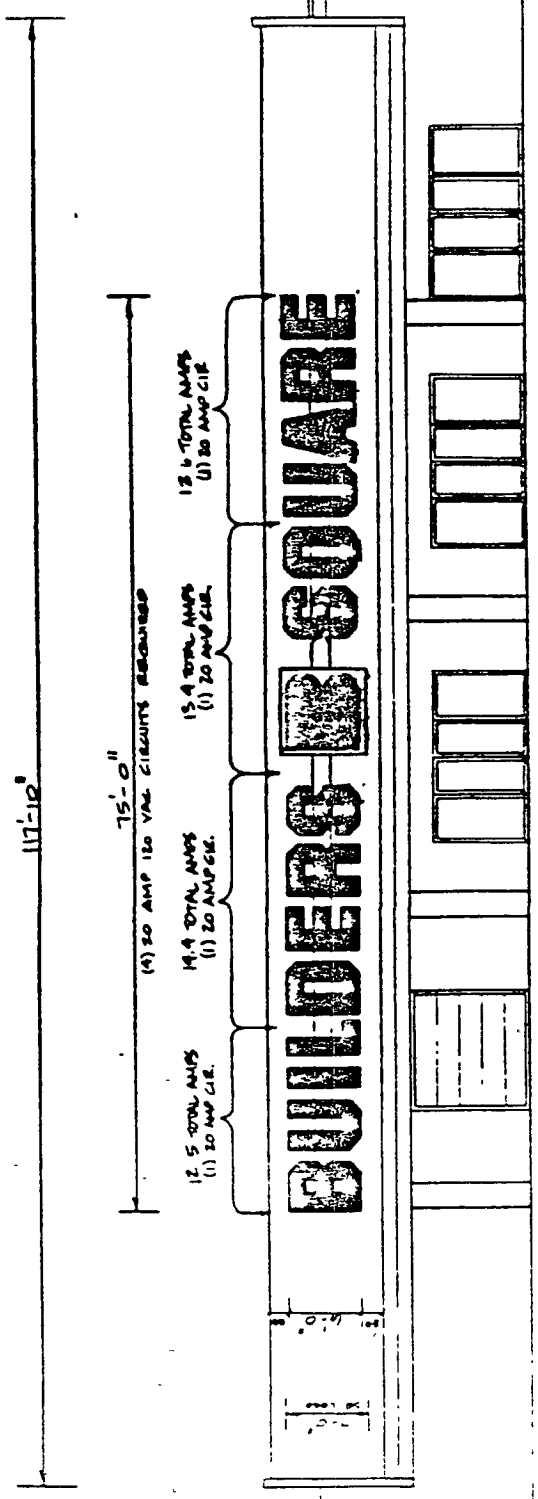


GARY R. ROUSE
REGISTERED SURVEYOR NO. 6867



Pages C-1 through C-4

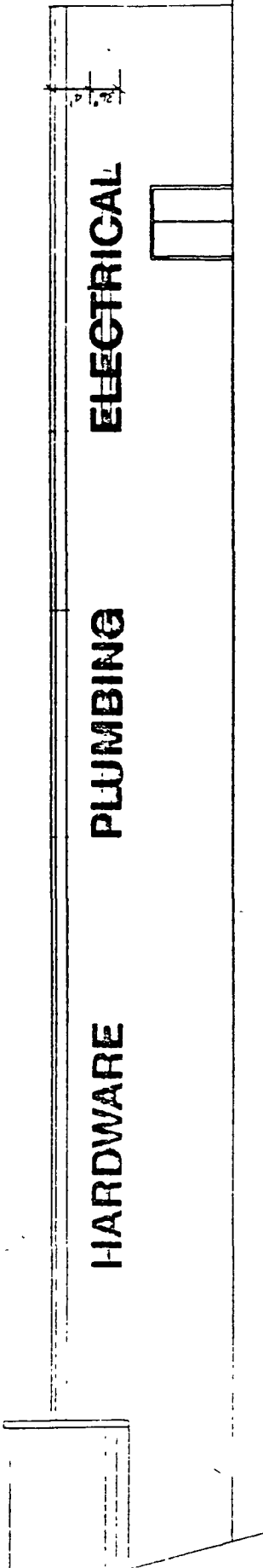
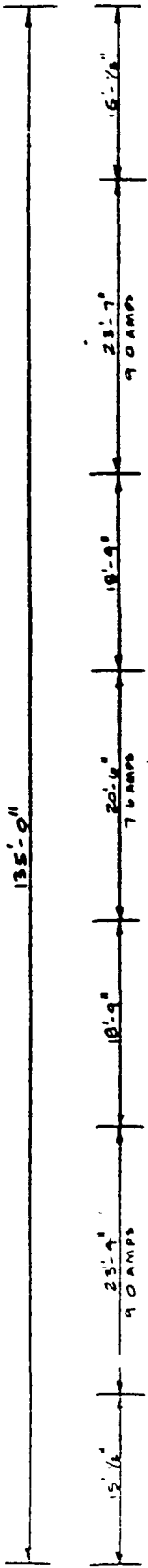
have been intentionally omitted.



BUILDERS SQUARE - INT ILLUMINATED SIGN LIES 7/2" IN BLUE & 1/2" IN WHITE 1/4" + 1/2" MED DEGREE RETURN. WHITE NEON MOUNTED ON RACEWAY PAINTED TO MATCH BLDG.

1000 SINKS FOR INT ILLUMINATED (W/H.O.L.A.M.P.S) BLDG. SIGN. INT SPRAYED 1/2" FACE. CENTER 50-100 BLUE. OTHER SIGNS - 3/8" STAINLESS BLUE 1/2" DIA ON WHITE 1/2" BLDG. PG METAL FILLER + RETAINER PAINTED 15% BLUE.

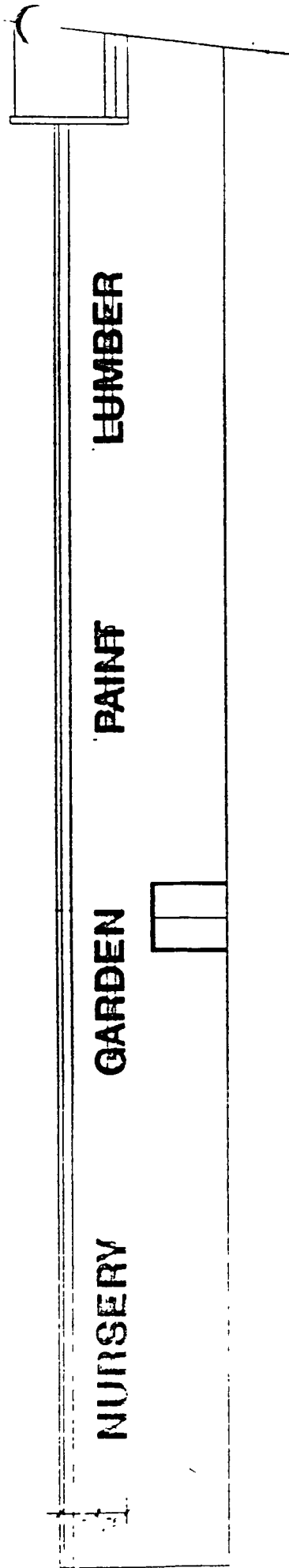
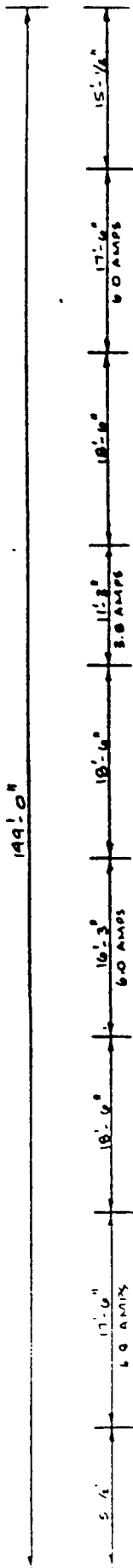
BUILDERS SQUARE	
V.P.#	SCALE 1/8" = 1'-0"
DWG# 3669	10-24-84



RIGHT FRONT ELEVATION

ALL UNIT ILLUMINATED CHANNEL LETTERS W/ Z119 ORANGE
 LEX FACES. 1" WHITE T/C T 15" BLUE RETURNS. 15MM
 JUNE NEON T UNITED ON MAXEVNY PAINTED TO MATCH BGR.

BUILDERS SQUARE
N.O.E.
SCALE: 1/8" = 1'-0"
waldrum — SIGN COMPANY —
DWG# 3071 10-24-84 J A



NURSERY GARDEN PAINT LUMBER

WEST FRONT ELEVATION

GARDEN PAINT LUMBER - ALL INT. LUM. CHAN. FRS. 2/219
 GARDEN FLEX FACES, 1" WHITE T/K. 1 1/2" B/W. RETURNS, 15MM
 WHITE NEON MOUNTED ON RAKEWAY PAINTED TO MATCH BLDG.
 NURSERY - INT. UNPAINTED CHAN. FRS. 1/20 NO GREEN
 FLEX FACES, 1" WHITE T/K. 1 1/2" B/W. RETURNS, 15MM
 WHITE NEON MOUNTED ON RAKEWAY PAINTED TO MATCH BLDG.

BUILDERS SQUARE

SCALE: 1/8" = 1'-0"

VO #

waldrum
- BORN COMPANY

DWG # 1470 10-24-84 J.A.

EXHIBIT "D"
PLAZA CHAPEL HILL

EXTERIOR SIGN CRITERIA

1. Only established store "names" or trade "names" shall be permitted. No individual "logos" shall be permitted.
2. The location of the signs on the vertical fascia of the storefront shall be centered within the Sign Band. (The Sign Band as used herein shall be the area within which a lessee's storefront sign may be placed.)
- 3.(a) The height of the Sign Band from top to bottom of any letter (or combination of letters, if one letter or part thereof is on top of another letter) shall not exceed the following dimension:
 - (i) 36 inches for store units having less than 20,000 square feet;
 - (ii) 60 inches for store units having 20,000 square feet or more.
- (b) The width of the Sign Band from end to end shall not exceed the following dimension:
 - (i) 70 percent of the width of the store front if the store front is greater than 29 feet;
 - (ii) 80 percent of the width of the store front if the store front is 29 feet or less.
4. All names within the Sign Band shall consist of individual, internally illuminated letters. Construction shall be welded aluminum sides and back with a plastic face. The depth of the letters may be 4" to 7" depending on size, and shall have remote transformers. No raceways are permitted.
5. All letters shall be of one consistent color. The aluminum channel will be dark brown and the plastic faces may be either white, red, blue, orange or green.
6. All letters will bear the Underwriters Laboratory Label.
7. All signs, methods of installation and electrical hook-up must comply with applicable laws, ordinances and regulations.

INTERIOR SIGN CRITERIA
(Visible from the Exterior)

1. Flat paper signs, not to exceed 4-ft. in length by 2-ft. in width, on the interior of LESSEE'S windows, advertising merchandise or specials.
2. No product-oriented signs by suppliers.
3. No blinking or flashing illumination signs.
4. Placards by local schools, organizations advertising special events are to be placed at a maximum of four, and must not be offensive or distract from the appearance of the entire SHOPPING CENTER.

EXHIBIT D

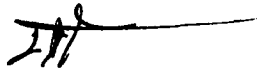
The demised premises may not be used for any of the following purposes during such period of time that there is being operated (including temporary closings) a store unit within the Shopping Center or shopping center operated by an affiliate of Landlord on adjoining property and the Tenant so operating has a clause in the lease for such premises restricting other premises within either or both Shopping Center and shopping center from being so operated.

food supermarket
cinema
drug store
modern toys store
sale of children or infants or juvenile apparel,
accessories and shoes

APPROVED BY TENANT:

K-MART CORPORATION,
BUILDERS SQUARE INC.

By Larry D. Ross
Director
Site Acquisition



(initial)

APPROVED BY LANDLORD:

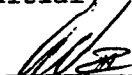
PLAZA CHAPEL HILL EAST CO.

By Herbert A. Polk
Partner



(initial)

By Anthoni Visconsi II
Partner



(initial)

BENESCH
FRIEDLANDER
COPLAN &
ARONOFF LLP
ATTORNEYS AT LAW

2300 BP Tower
200 Public Square
Cleveland, Ohio 44114-2378
(216) 363-4500
Fax (216) 363-4588
www.bfca.com

Karen L. Koozer
Writer's Direct Dial (216) 363-4650

March 26, 2002

VIA FEDERAL EXPRESS

Office of the Clerk
United States Bankruptcy Court
219 South Dearborn
Chicago, IL 60604

Re: Kmart Corporation, et al., Debtors; United States Bankruptcy
Court for the Northern District of Illinois-Eastern Division;
Case No. 02-B02474 (Jointly Administered)

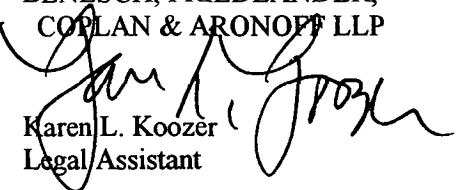
Dear Sir or Madam:

Enclosed is a proof of claim to be filed on behalf of Plaza Chapel Hill East Company in the Kmart Corporation chapter 11 case (Case Number 02-B02474).

Please return a time-stamped copy of the proof of claim to me in the enclosed self-addressed, postage prepaid envelope.

Sincerely yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP


Karen L. Koozer
Legal Assistant

/klk
Enclosure

cc: Trumbull Services, LLC (w/encl.)
David M. Neumann (w/o encl.)

Cleveland Columbus