

precedence and be superior and prior in lien of this lease, irrespective of the date of recording and the Tenant agrees to execute without cost, any such instrument which may be deemed necessary or desirable to further effect the subordination of this lease to any such mortgage or mortgages, and a refusal to execute such instrument shall entitle the Landlord, or the Landlord's assigns and legal representatives to the option of cancelling this lease without incurring any expense or damage and the term hereby granted is expressly limited accordingly.

14. The Tenant has this day deposited with the landlord the sum of \$4,000.00 as security for the full and faithful performance by the Tenant of all the terms, covenants and conditions of this lease upon the Tenant's part to be performed, which said sum shall be returned to the Tenant after the time fixed as the expiration of the term herein, provided the Tenant has fully and faithfully carried out all of said terms, covenants and conditions on Tenant's part to be performed. In the event of a bona fide sale, subject to this lease, the Landlord shall have the right to transfer the security to the vendee for the benefit of the Tenant and the Landlord shall be considered released by the Tenant from all liability for the return of such security; and the Tenant agrees to look to the new Landlord solely for the return of the said security, and it is agreed that this shall apply to every transfer or assignment made of the security to a new Landlord.

15. That the security deposited under this lease shall not be mortgaged, assigned or encumbered by the Tenant without the written consent of the Landlord.

16. (a) It is expressly understood and agreed that in case the demised premises the Tenant shall sell, assign, or mortgage this lease or if default be made in the payment of any rental payable hereunder by Tenant and such default continues for five (5) days after written notice thereof shall have been received by Tenant from Landlord, or if default shall be made in the performance or observance of any of the other covenants or conditions herein contained on the part of Tenant to be performed, and such default shall continue for thirty (30) days after written notice thereof shall have been given to Tenant by Landlord (or, if such default is not a type that can be reasonably corrected within thirty (30) days, then if Tenant fails to commence promptly and in good faith to proceed with due diligence to correct such default), or if this Lease shall, by act of Tenant or by operation of law or otherwise devolve or pass to any party other than the Tenant (other than by permissive transfer), then Landlord may, subject to Paragraph 17(b) herein, re-enter the Premises or any part thereof, expel and remove Tenant or any person or persons occupying the same and again repossess and enjoy the Premises. The foregoing rights of Landlord shall be without prejudice to any remedies which might otherwise be used for arrears of or future accruing rent or other breach of covenants. No such termination, entry, expulsion or removal, whether by direct act of Landlord through legal proceedings or otherwise, shall affect the liability of Tenant for the past due rent and future rent due Landlord. Landlord may relet the Premises upon such terms and conditions as Landlord may deem best, and after paying the costs and expenses of reletting, apply the net proceeds from reletting toward the rent and other charges due hereunder from Tenant. Tenant shall pay any deficiency.

If at any time any proceedings in bankruptcy, insolvency or reorganization shall be instituted against Tenant pursuant to any federal or state law, or any receiver or trustee shall be appointed for all or any portion of Tenant's business or property, or any execution or attachment shall issue against Tenant or Tenant's business or property or against the leasehold estate created under this Lease or Tenant shall be adjudged a bankrupt or insolvent, or Tenant shall make an assignment for the benefit of creditors, or Tenant shall file a voluntary petition in bankruptcy or petitions for (or enters into) an arrangement for reorganization, composition or any other arrangement with Tenant's creditors under any federal or state law, or this Lease or the estate of Tenant herein shall pass or devolve upon, by operation of law or otherwise, to anyone other than Tenant (other than by permissive transfer), the occurrence of any one of such contingencies shall entitle Landlord, subject to Paragraph 17(b) herein, to terminate this Lease. Upon such termination, Landlord shall have the right to re-enter the Premises and to remove all persons and property therefrom. This Lease shall not be treated as an asset of the Tenant's estate and neither the Tenant nor anyone claiming by, through or under Tenant by virtue of any law or any order of any court shall be entitled to the possession of the Premises or to remain in the possession thereof. The remedies afforded Landlord under this Paragraph 17 shall not be deemed to be exclusive or alternative, but such remedies shall at all times be deemed to be cumulative; and in addition thereto, Landlord shall have each and every other remedy afforded it by this Lease, by custom and usage, and by law and equity.

(b) In the event of any claimed and/or actual default and/or breach of this agreement by Tenant, then before termination, Tenant must first receive written notice of breach and/or default, as the case may be and then, thereafter shall have thirty (30) days within which to cure, remedy and/or abate the breach and/or default.

17. Tenant shall pay to Landlord the rent or charge, which may, during the demised term, be assessed or imposed for the water used or consumed in or on the said premises, whether determined by meter or otherwise, as soon as and when the same may be assessed or imposed, and will also pay the expenses for the setting of a water meter in the said premises should the latter be required. Tenant shall pay Tenant's proportionate part of the sewer rent or charge imposed upon the building. All such rents or charges or expenses shall be paid as additional rent and shall be added to the next month's rent thereafter to become due.

18. That the Tenant will not nor will the Tenant permit undertenants or other persons to do anything in said premises, or bring anything into said premises, or permit anything to be brought into said premises or to be kept therein, which will in any way cause or create an environmental hazard or harm, nor increase the rate of fire insurance on said demised premises, nor use the demised premises or any part thereof, nor suffer or permit their use for any business or purpose which would cause an increase in the rate of fire insurance on said building, and the Tenant agrees to pay on demand any such increase.

Tenant shall at all times during the lease term carry a policy of Insurance which insures the Premises, naming Landlord as an additional insured, against loss or damage by fire or other casualty (namely, the perils against which insurance is afforded by a standard fire insurance policy and extended coverage endorsement). Tenant shall from time to time during the lease term furnish to Landlord certificates of said insurance (with proof of payment) and, if requested by Landlord, copies of all policies, evidencing the foregoing insurance coverage, which will name Landlord as an additional insured.

Tenant may bear the cost of any insurance on all personal property belonging to Tenant in or on the Demised Premises. In the event that Tenant permits any person's property to be stored in or about the Demised Premises which gives rise to an increase in the cost of insurance procured by Landlord herein, then such increased cost shall be paid by Tenant to Landlord within five (5) days of receipt by Tenant of notice of the same from Landlord.

Nothing in this Lease shall be construed so as to authorize or permit any insurer, Landlord or Tenant to be subrogated to any right of the Landlord or Tenant against the other arising under this Lease. Each of the Landlord and Tenant hereby releases the other to the extent of its insurance coverage for any loss or damage caused by fire or other casualty, even if such fire or other casualty shall be brought about by the fault or negligence of the other party or persons for whose acts or negligence the other party is responsible.

19. The failure of the Landlord to insist upon a strict performance of any of the terms, conditions and covenants herein, shall not be deemed a waiver of any rights or remedies that the Landlord may have, and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained. This instrument may not be changed, modified, discharged or terminated orally.

20. If the whole or any part of the demised premises shall be acquired or condemned by Eminent Domain for any public or quasi public use or purpose, then and in that event, Tenant shall have the option to terminate from the date of title vesting in such proceeding and Tenant shall have no claim against Landlord for the value of an unexpired term of said lease, or if partial the rent shall be prorated if Tenant chooses not to terminate. No part of any award shall belong to the Tenant.

21. If after default in payment of rent or violation of any other provision of the lease, or upon the expiration of this lease, the Tenant moves out or is dispossessed and fails to remove any trade fixtures or other property prior to such said default, removal or expiration of lease, or prior to the issuance of the final order or execution of the warrant then and in that event, the said fixtures and property shall be deemed abandoned by the said Tenant and shall become the property of the Landlord.

22. In the event that the relation of the Landlord and Tenant may cease or terminate by reason of the re-entry of the Landlord under the terms and covenants contained in this lease or by the ejectment of the Tenant by summary proceedings or

otherwise, or after the abandonment of the premises by the Tenant, it is hereby agreed that the Tenant shall remain liable and shall pay in monthly payments the rent which accrues subsequent to the re-entry by the Landlord, and the Tenant expressly agrees to pay as damages for the breach of the covenants herein contained, the difference between the rent reserved and the rent collected and received, if any, by the landlord during the remainder of the unexpired term, such difference or deficiency between the rent herein reserved and the rent collected if any, shall become due and payable in monthly payments during the remainder of the unexpired term, as the amounts of such difference or deficiency shall from time to time be ascertained; and it is mutually agreed between Landlord and Tenant that the respective parties hereto shall and hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties against the other on any matters whatsoever arising out of or in any way connected with this lease, the Tenant's use or occupancy of said premises, and/or any claim of injury or damage.

23. The Tenant waives all rights to redeem under any law of the State of New York.

24. This lease and the obligation of Tenant to pay rent hereunder and perform all of the other covenants and agreements hereunder on part of Tenant to be performed shall in no way be affected, impaired or excused because Landlord is unable to supply or is delayed in supplying any service expressly or impliedly to be supplied or is unable to make, or is delayed in making any repairs, additions, alterations or decorations or is unable to supply or is delayed in supplying any equipment or fixtures if Landlord is prevented or delayed from so doing by reason of governmental preemption in connection with a National Emergency or in connection with any rule, order or regulation of any department or subdivision thereof of any governmental agency or by reason of the condition of supply and demand which have been or are affected by war or other emergency.

25. No diminution or abatement of rent, or other compensation, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the building or to its appliances, nor for any space taken to comply with any law, ordinance or order of a governmental authority. In respect to the various "services", if any, herein expressly or impliedly agreed to be furnished by the Landlord to the Tenant, it is agreed that there shall be no diminution or abatement of the rent, or any other compensation, for interruption or curtailment of such "service" when such interruption or curtailment shall be due to accident, alterations or repairs desirable or necessary to be made or to inability or difficulty in securing supplies or labor for the maintenance of such "service" or to some other cause, not gross negligence on the part of the Landlord. No such interruption or curtailment of any such "service" shall be deemed a constructive eviction. The Landlord shall not be required to furnish, and the Tenant shall not be entitled to receive, any of such "services" during any period wherein the Tenant shall be in default in respect to the payment of rent. Neither shall there be any abatement or diminution of rent because of making repairs, improvements or decorations to the demised premises after the date above fixed for the commencement of the term,

it being understood that rent shall, in any event, commence to run at such date so above fixed.

26. Landlord shall not be liable for failure to give possession of the premises upon commencement date by reason of the fact that premises are not ready for occupancy or because a prior Tenant or any other person is wrongfully holding over or is in wrongful possession, or for any other reason. The rent shall not commence until possession is given or is available, but the term herein shall not be extended.

27. The Premises may be used and occupied only as a retail and wholesale building material distribution center, and for no other purpose or purposes without Landlord's prior written consent, which shall not be unreasonably withheld. Tenant shall promptly comply at its sole expense with all laws, ordinances, orders, and regulations affecting the Premises and their cleanliness, safety, occupation and use. Tenant will not perform any act or carry on any practices that may injure the Building or be a nuisance or menace to Landlord or other tenants located at the Capital District Cooperative, Inc. property. Tenant shall not cause, maintain or permit any outside storage on or about the Premises, including but not to be limited to storage of pallets or other refuse. The truck loading areas of the Premises must be clean and unobstructed.

28. In the event that at any time during the term of this Lease, either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this Lease, or any default hereunder, then, and in that event, the unsuccessful party in such action or proceeding shall reimburse the successful party for its reasonable expenses of attorney's fees and disbursements incurred therein by the successful party.

29. Without advance written approval, which shall not be unreasonably withheld, Tenant shall have no right to construct or install on the Premises any alterations, improvements, equipment, signs or advertising devices, except that Tenant shall, at Tenant's sole cost and expense, take all action, including any required alterations, improvements, or installation of equipment necessary to comply with the Americans with Disabilities Act of 1990 ("ADA"), 42 U.S.C. 12101 et seq., each as modified and supplemented from time to time, which shall, with respect to the Premises, impose any violation, order, or duty upon Landlord or Tenant arising from, or in connection with the Premises, Tenant's occupancy, use or manner of use of the Premises (including, without limitation, any occupancy, use or manner of use that constitutes a "place of public accommodation" under the ADA), or any installations in the Premises, whether or not any work required shall be ordinary or extraordinary, or foreseen or unforeseen, at the date of this Lease. Landlord's consent to Tenant's request to erect reasonable exterior or interior signage on the Building, subject to the requirements of the Lease, shall not be unreasonably withheld.

30. Tenant acknowledges that Landlord has made no representations or warranties of any kind or nature whatsoever relating to the physical condition of the Premises, which Tenant hereby accepts in their present condition. Tenant warrants and represents to Landlord that it is unaware of any breach or default by Landlord under any

prior lease between the parties, or of any factual circumstances which, if not remedied and/or altered to conform to a prior lease, would give rise to a breach or default under a lease to which Landlord is a party with the mere passage of time.

31. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors, personal representatives, heirs and assigns. Landlord shall have the right to transfer and assign, in whole or in part its rights and obligations that are the subject of this Lease Agreement. Tenant shall be permitted to assign this Lease Agreement and to sublet all or any part of the Premises only upon the prior written consent of the Landlord (which shall not be unreasonably withheld), and Tenant shall be allowed upon written notice to assign its rights hereunder to an entity controlled by, controlling, or under common control with Tenant, or to an entity acquiring substantially all of Tenant's assets without Landlord's consent. In the event of any assignment or subletting, Tenant shall nevertheless at all times, remain fully responsible and liable for the payment of the rent and for compliance with all of its other obligations under the terms, provisions and covenants of this Lease Agreement. Any collection directly by Landlord from the assignee or Tenant shall not be construed to constitute a novation or a release of Tenant from the further performance of its obligations under this Lease Agreement.

32. This Lease shall be construed and interpreted in accordance with the internal laws of the State of New York. The parties consent to the jurisdiction and forum of the courts of the State of New York and agree to designate the venue to be Albany County, New York.

33. All of the terms, covenants and conditions of this Lease are set forth herein or in the exhibits attached hereto, if any, which shall be construed as a part hereof, and all direct and indirect inducements to the making thereof relied upon by any of the parties hereto have been expressed herein. This Lease shall supersede all prior agreements, if any, between the parties hereto with respect to the transactions provided for herein.

34. Any notices required or permitted to be given under this Lease shall be sent postage prepaid by certified mail to the party's address indicated below:

If to Landlord:

Capital District Cooperative, Inc.  
381 Broadway  
Menands, New York 12204  
ATTN: Anthony Goodyer, Manager  
Tel: (518) 465 - 1023  
Fax: (518) 465 - 1035

With a required copy to: William J. Keniry, Esq.  
Tabner, Ryan and Keniry  
18 Corporate Woods Boulevard  
Albany, NY 12211  
Tel: (518) 465-9500

Fax: (518) 465-9112

If to Tenant:

Wickes Inc.  
Jim Hopwood  
706 Deerpath Drive  
Vernon Hills, IL 60061  
Tel.: (847) 367-3400  
Fax: (847) 367-3765

With a required copy to:

35. Tenant shall be entitled to park any vehicle including, but not limited to, automobiles, tractors and trailers, within the parking area contained within the Premises. Additional parking may be provided upon the consent of the Landlord. No vehicle may be repaired or serviced in the parking area except in the case of emergencies, and any vehicle deemed by Landlord abandoned by Tenant will be towed from the parking lots and all costs therein shall be borne by the Tenant.

36. Tenant and Landlord state they have not dealt with any broker in connection with this transaction. Tenant agrees to hold Landlord harmless from any claim which may be made by any broker in conjunction with this transaction who claims it has dealt with Tenant.

**AND** the said Landlord doth covenant that the said Tenant on paying the said yearly rent, and performing the covenants aforesaid, shall and may peacefully and quietly have, hold and enjoy the said demised premises for the term aforesaid, provided however, that this covenant shall be conditions upon the retention of title to the premises by the Landlord.

**AND IT IS MUTUALLY UNDERSTOOD AND AGREED** that the covenants and agreements contained in this within lease shall be binding upon the parties hereto and upon their respective successors, heirs, executors and administrators.

**IN WITNESS WHEREOF**, the parties have hereto set their hands and seals the day, month and year first above written.

Capital District Cooperative, Inc.

By William A. Beyeler  
its

Wicks Inc.

By:

STATE OF <sup>ILLINOIS</sup> ~~NEW YORK~~ )  
 ) ss  
COUNTY OF <sup>LAKE</sup> )

On the 3rd day of Dec, in the year 2003, before me, the undersigned, personally appeared JAMES A. HOPWOOD, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

*Deanna A. Keller*  
Notary Public  
OFFICIAL SEAL  
DEANNA A. KELLER  
NOTARY PUBLIC, STATE OF ILLINOIS  
My Commission Expires: 06/06/2005

STATE OF NEW YORK )  
COUNTY OF *Albany* ) ss

On the 2<sup>th</sup> day of December, in the year 2003, before me, the undersigned, personally appeared William P. Fitzgerald, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

JUSTYN P. BATES  
NOTARY PUBLIC, State of New York  
No. 01BA6023917  
Qualified in Rensselaer County  
Commission Expires 05/03/2021

# ASSIGNMENT OF LEASES

THIS ASSIGNMENT OF LEASES (this "Assignment") is made and delivered as of the 26th day of July, 2004 by and between WICKES INC., Debtor-In-Possession, a Delaware corporation ("Assignor"), and BRADCO SUPPLY CORPORATION, a New Jersey corporation ("Assignee").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Pursuant to that certain Asset Purchase and Sale Agreement dated as of June 23, 2004 by and among Assignor, GLC Division, Inc., a Delaware corporation, Lumber Trademark Company, an Illinois corporation, and Assignee (the "Purchase Agreement"), Assignor hereby grants, transfers, conveys, and assigns to Assignee all of the right, title and interest of Assignor in, to and under those certain leases of (i) the premises located at 391 Broadway, Menands, New York and more particularly described in the Lease Agreement dated as of June 1, 2003 by and between Assignor, as lessee, and Capital District Cooperative, Inc., as lessor (as amended or supplemented, the "NY Lease"), (ii) the premises located at 742 Route 46, Kenvil, New Jersey and more particularly described in the Lease dated as of April 24, 1998 by and among Assignor, as lessee and P&D Realty Associates, as lessor (as amended or supplemented, the "NJ Lease") and (iii) the premises located at 46 Swamp Road, Newtown, Connecticut (the "CT Premises") and more particularly described in the License Agreement for Private Grade Crossing dated as of May 16, 1989 by and among Assignor, as lessee, and Maybrook Railroad Company, as lessor (as amended or supplemented, the "CT Lease").

2. Assignee hereby accepts the foregoing assignment and, subject to the terms and conditions of the Purchase Agreement, assumes all of Assignor's duties, obligations and liabilities (collectively, "obligations") under the NY Lease, the NJ Lease and the CT Lease accruing from and after the date hereof.

3. This Assignment shall not alter, modify or amend the terms of the NY Lease, the NJ Lease or the CT Lease in any respect.

4. This Assignment shall be binding upon and shall inure to the benefit of the parties thereto and their respective successors and assigns; provided, however, that any future assignment of the NY Lease, the NJ Lease or the CT Lease by Assignee shall be subject to any lessor consent requirements contained therein.

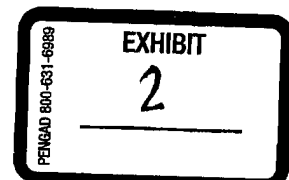
5. This Assignment shall be governed by and interpreted in accordance with the laws of New York, in the case of the NY Lease, New Jersey, in the case of the NJ Lease, and Connecticut, in the case of the CT Lease.

6. To the extent there is a conflict between the terms and provisions of this Assignment and the Purchase Agreement, the terms and provisions of the Purchase Agreement will govern.

7. This Assignment may be executed in counterparts, which, when integrated, shall constitute one original of the Assignment.

257303.1 050495-32982

Exhibit C



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

**ASSIGNOR:****WICKES INC., a Delaware corporation**By: Name: James J. O'GradyTitle: President**ASSIGNEE:****BRADCO SUPPLY CORPORATION, a  
New Jersey corporation**By: Name: STEVE PEINBERGTitle: Vice President

## ACKNOWLEDGMENT

STATE OF ILLINOIS )

COUNTY OF Cook )

) SS

I Joann McLaughlin a Notary Public in and for said County, in the State aforesaid, DO  
HEREBY CERTIFY THAT James O'Grady, the President of Wickes Inc., a  
Delaware corporation, personally known to me to be the same person whose name is subscribed  
to the foregoing instrument, appeared before me this day in person, and acknowledged that he  
signed, sealed and delivered the said instrument as the free and voluntary act of said corporation,  
for the uses and purposes therein set forth.

Given under my hand and official seal this 26th day of July, 2004.

[NOTARY SEAL]

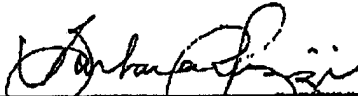
NOTARY PUBLIC

Commission Expires: 2/5/05

STATE OF New Jersey  
COUNTY OF Middlesex } ss.

On this 22nd day of July, 2004, before me, a Notary Public in and for the State of New Jersey, personally appeared SAE RAIBERG, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that he was authorized to execute the instrument, and acknowledged it as VICE PRESIDENT of SAE RAIBERG CORPORATION to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

  
NOTARY PUBLIC in and for the State of New Jersey, residing at 13 PRODUCTION WAY, Avenel, NJ 07001  
My appointment expires \_\_\_\_\_  
Print Name \_\_\_\_\_

**BARBARA PIZZI**  
**A NOTARY PUBLIC OF NEW JERSEY**  
**My Commission Expires July 27, 2007**