

UNITED STATES BANKRUPTCY COURT for the District of Delaware

PROOF OF CLAIM

Name of Debtor: **Urban Brands, Inc., et al.**Case Number: **10-13005**

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):
King Associates Limited Partnership☐ Check this box to indicate that this claim amends a previously filed claim.Name and address where notices should be sent: **Robert E. Greenberg, Esq.****Friedlander Misler, PLLC
1101 17th Street, NW, Suite 700
Washington, DC 20036**Court Claim Number: _____
(If known)Telephone number:
202-872-0800

Filed on: _____

Name and address where payment should be sent (if different from above):

same

Telephone number:

RECEIVED**OCT 14 2010****BMC GROUP**☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.☐ Check this box if you are the debtor or trustee in this case.1. Amount of Claim as of Date Case Filed: **\$ 10,781.69**

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete item 5.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim.

2. Basis for Claim: **lease (see attached)**
(See instruction #2 on reverse side.)☐ Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).3. Last four digits of any number by which creditor identifies debtor: **5905**☐ Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507 (a)(4).3a. Debtor may have scheduled account as: _____
(See instruction #3a on reverse side.)☐ Contributions to an employee benefit plan - 11 U.S.C. § 507 (a)(5).

4. Secured Claim (See instruction #4 on reverse side.)

☐ Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507 (a)(7).☐ 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)().Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other
Describe:

Value of Property: \$ _____ Annual Interest Rate _____ %

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: \$ _____ Basis for perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

Date: **10/15/10**Signature: The person filing this claim must sign it. Sign and print other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. **Robert E. Greenberg, Esq.****counsel for
King Associates Limited Partnership**

FOR COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

BMC

CASE NO.
Debtor
Petition Date

10-13005
Urban Brands, Inc., et al.
9/21/2010

Itemized Statement of Charges

Landlord: King Associates Limited Partnership

Lease Date: 5/07/02

Amounts as of Petition Date

Rent	\$	6,864.66
Common Area Maintenance Charges	\$	1,800.00
Real Estate Taxes	\$	2,117.03
Total	\$	10,781.69

Accrued Charges Post Petition

Rent	\$	6,864.66
Common Area Maintenance Charges	\$	1,150.00
Real Estate Taxes	\$	1,090.00
Attorney's Fees	\$	1,000.00
Total	\$	10,104.66

Total	\$	20,886.35
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TEMPORARY RENT MODIFICATION AGREEMENT

This Amendment to Lease made this 27th day of May, 2009, by and between King Associates Limited Partnership "Landlord", having a business address of 6931 Arlington Rd., Suite 500, Bethesda, MD 20814 and Large Apparel of Maryland, Inc., (the "Tenant") having a business address of 100 Metro Way, Secaucus, New Jersey 07094:

WITNESSETH:

WHEREAS, Landlord and Tenant entered into a Lease dated May 7, 2002, (the "Lease") for certain Premises located at King Shopping Center, 7001 Martin Luther King Jr. Hwy, Landover, MD 20785

Landlord and Tenant wish to modify the Lease in certain respects.

THEREFORE, for and in consideration of \$1.00 and other goods and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. The term of the Lease expires January 31, 2013.
2. Tenant owes Landlord rent for the months of February 2009 (\$8407.23), March 2009 (\$8407.23), April 2009 (\$8407.23), and May 2009 (\$8407.23) for a total of \$33,628.92 (the "Delinquent Rent") plus a Utilities Charge of \$41.68 for a total owed of \$33,670.60. The total amount owed will be paid will be paid in the following manner:
 - a) 50% (\$16,835.30) will be paid on or before May 29, 2009
 - b) 50% (\$16,835.30) will be paid on or before June 12, 2009.
3. Commencing June 1, 2009 and for each month continuing through May 31, 2010, Tenant's obligation to pay Gross Rent (hereby defined as Minimum Rent, CAM, Real Estate Tax, Marketing Fees, Merchants' Association, Advertising, HVAC, Sprinkler) will be reduced to seventy (70%) percent of the amount due (\$8407.23 X .70 = \$5885.06), pursuant to the terms of the Lease (the "Reduced Rate Rent"). Tenant will pay the Reduced Rate Rent no later than the end of the month due.
4. Landlord's Notice Address is Harvey Property Management Co., 6931 Arlington Road., Suite 500, Bethesda, MD 20814
5. Except as expressly modified herein, the Lease remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto are executing this Temporary Rent Modification Agreement as of the date first written above.

King Associates L.P. Landlord

By: [Signature]
Its: President
Date: May 27, 2009

Large Apparel of MARYLAND Inc. Tenant

[Signature]
By: Executive Officer / TREASURER
Date: June 1, 2009

LEASE AGREEMENT

THIS AGREEMENT OF LEASE (hereinafter referred to as this "Lease") made this 7th day of MAY, 2002, by and between King Associates Limited Partnership, having its principal office at c/o Harvey Property Management Company, Inc., 6931 Arlington Rd., Suite 500, Bethesda, MD 20814, (hereinafter referred to as "Landlord"), and Large Apparel of Maryland, Inc., having its principal office at 100 Metro Way, Secaucus, NJ 07094, (hereinafter referred to as "Tenant").

WITNESSETH:

IN CONSIDERATION OF the mutual promises and covenants herein contained, Landlord and Tenant agree as follows:

ARTICLE 1. DEMISED PREMISES AND TERM

1.01. Premises and Term. Landlord hereby leases to Tenant the Leased Premises located at King Shopping Center, 7001 Martin Luther King Jr. Highway, Landover, Maryland (the "Shopping Center") comprised of 6,300 square feet, with a frontage of not less than 84 feet measured from center demising wall to center demising wall, commonly referred to as Space Number 22, (hereinafter referred to as the "Leased Premises"), as set forth in on Exhibit A hereof, for a term of Ten (10) Lease Years (as defined herein), subject to any extensions pursuant to Section 1.06. The legal description of the property on which the Building is located is attached hereto as Exhibit B (hereinafter "Landlord's Tract").

1.02. Commencement Date. The Lease term shall commence the earlier to occur of (a) Tenant's opening for business with the public or (b) Sixty (60) days after the date both of the following conditions are satisfied: (i) Landlord shall deliver possession of the Leased Premises to Tenant with Landlord's Work complete and shall notify Tenant of the same in writing and (ii) Tenant shall receive its permits. Tenant shall have the obligation to deliver its plans to Landlord's expeditor on or before May 15, 2002. In the event Tenant delivers its plans to Landlord's expeditor after May 15, 2002, Tenant's sixty (60) day build out period, triggered by Tenant's receipt of its permits, shall be reduced one (1) day for every day after May 15, 2002, until the date Tenant's plans are submitted. (For example, if Tenant delivers its plans to Landlord's expeditor on May 16, 2002, Tenant's build out period is reduced to fifty nine (59) days, subject to Force Majeure) (the "Commencement Date"). In no event shall Tenant be required to open prior to the date ("Co-tenancy Date") on which at least Shoppers Food Warehouse, or replacements thereof, operating as one single retail entity, of comparable quality, in not less than ninety percent (90%) of the space occupied by the replaced entity, and tenants occupying fifty percent (50%) of the remaining gross leasable area of the Shopping Center are open for business to the public provided, however, that if Tenant shall elect to open prior to the Co-tenancy Date, Tenant shall pay monthly, in lieu of Fixed Minimum Rent, a substitute rental of the lesser of Tenant's monthly installment of Fixed Minimum Rent or five percent (5%) of Gross Sales per month until the Co-tenancy Date has been satisfied. If such co-tenancy is not met within twelve (12) months of the delivery of the Leased Premises, Tenant shall have the option to cancel this Lease upon thirty (30) days notice to Landlord. Notwithstanding anything contained herein to the contrary, if Tenant should encounter delays in Tenant's Work due to conditions constituting Force Majeure, the Commencement Date shall be postponed by the number of days during which such delay prevails.

1.03. Lease Year. As used in this Lease, the term "lease year" or "Lease Year" shall mean each twelve (12) month period from February 1 to January 31 during the term of this Lease provided, however, that the first lease year shall also include the period from the Commencement Date to the following January 31. In the event the first Lease Year is longer than twelve (12) full calendar months the annual Fixed Minimum Rent, Percentage Rent breakpoint and all other charges payable on a lease year basis and the Kickout sales figure, if any, shall be increased proportionately. Wherever, in this Lease, "year" or "years" appears with respect to the term of the lease or the payment of rent hereunder, such term shall be construed to mean "lease year(s)" unless specifically stated otherwise.

1.04. Dead Periods. In the event Landlord does not deliver the Premises to Tenant with its Work complete on or before July 15, 2002, in no event shall the Lease term commence, nor shall Tenant be obligated to first open for business or commence paying any rent hereunder during the periods October 1 through March 15 and May 1 through August 15 of any year.

1.05. Tenant Cancellation. If the Leased Premises are not delivered to Tenant with Landlord's Work complete on the one (1) year anniversary of the date of the execution hereof, Tenant may terminate this Lease upon thirty (30) days' notice to Landlord.

1.06. Right of Renewal. Provided Tenant is not then in default hereunder after notice and the expiration of any applicable grace or cure periods, Tenant shall have the right to extend the term of this Lease for two (2) successive periods of five (5) years each by serving written notice upon Landlord by certified mail at least three (3) months prior to the expiration of the initial term or extended term, as the case may be. Upon such renewal except for the payment of Fixed Minimum Rent, all other terms and conditions of this Lease shall remain in full force and effect.

ARTICLE 2. USE, TRADENAME AND OPERATION

2.01. Permitted Use. Tenant may use the Leased Premises for the display and retail sale of infants, misses, children's, girls, ladies and women's apparel, including, but not limited to, juniors, half-size and large-size, furnishings and accessories, gifts and boutique items, including, without limitation, handbags, shoes, scarves, cosmetics, wigs and costume jewelry (including precious metals), layette and juvenile furniture, toys, footwear, children's cosmetics, socks, sunglasses, hats, caps and other hair accessories. Tenant may perform alterations on apparel sold at the Leased Premises.

2.02. Tradenname. Tenant shall operate the Premises under the Tradenname: Ashley Stewart Woman Sizes 14 - 26, however, Tenant shall be permitted to change its tradenname without Landlord's consent provided Tenant changes its Tradenname to one of the following: (1) Marianne; (2) Marianne Plus or such tradenname is a name used by a majority of Tenant's stores in the State of Maryland.

Tenant may change its tradenname at any time throughout the term of this Lease without Landlord's consent in the event Tenant changes its primary use of the Leased Premises.

2.03. Hours of Operation. (a) In no event shall Tenant be required to be open for business on any days, and during any hours where Shoppers Food Warehouse, (referred to herein as a "Major Tenant") and tenants occupying fifty percent (50%) of the remaining gross leasable area of the Shopping Center are not similarly open for business.

(b) In each Lease Year, Tenant may close for a period of time reasonably necessary in order to take inventory, make repairs, renovate or redecorate, provided, however, that such period shall not exceed ten (10) days in the aggregate in any Lease Year.

(c) Notwithstanding anything in this Lease to the contrary, it is understood and agreed that Tenant may, in its sole discretion, at any time cease to conduct business in the Leased Premises, and such closing shall not constitute a default under this Lease. Notwithstanding the foregoing, in the event Tenant remains closed for business ninety (90) consecutive days, casualty and force majeure excepted, Landlord shall have the right to terminate this Lease on thirty (30) days advance written notice to Tenant.

2.04. Window Lighting Requirements. Tenant shall be obligated to keep its show windows lit only during its required hours of operation.

2.05. Co-Tenancy. (a) If at any time during the Lease term Shoppers Food Warehouse shall close for business for a period exceeding one (1) month, Tenant may close its store for business. If Tenant closes under such circumstances, the Fixed Minimum Rent and all other charges payable hereunder shall be abated from such date until the date on which at least 90% of the gross leasable area of such Major Tenant shall be occupied by a single retail entity, of comparable quality, and reopened for business to the public. If 90% of the gross leasable area of Shoppers Food Warehouse shall not have reopened on or before six (6) months after the first date of closing, Tenant may terminate this Lease upon ten (10) days notice to Landlord.

(b) If at any time during the Lease term less than fifty percent (50%) of the gross leasable area in the Shopping Center (excluding Major Tenants) is open for business for a period exceeding one (1) month, Tenant may close its store for business. If Tenant closes under such circumstances then the Fixed Minimum Rent and all additional rent payable hereunder shall be abated until at least 50% of the gross leasable area of the Shopping Center (excluding Major Tenant) is open for business. If at least 50% of the gross leasable area of the Shopping Center (excluding Major Tenant) shall not be open or have reopened on or before six (6) months after such 50% ceases to be open, Tenant may terminate this Lease on ten (10) days notice to Landlord.

(c) As an alternative to closing its store in the case of (a) or (b) above, Tenant may elect to continue in operation in which event Tenant shall pay as and for its monthly Fixed Minimum Rent the lesser of 4% of monthly Gross Sales or monthly Fixed Minimum Rent, commencing on the first day that Shoppers Food Warehouse shall close for business (in the case of (a) above) or the date 50% of the gross leasable area in the Shopping Center (excluding Major Tenant) is not open for business (in the case of (b) above), and continuing until the reopening of such Major Tenant, or the reopening of at least 50% of the gross leasable area (excluding Major Tenant), as the case may be.

(d) As an inducement for Tenant to enter into this Lease, Landlord represents that it has entered into the following leases which contain operating covenants that are in effect at least until the applicable lease expiration date(s):

TENANT	EXPIRATION
_____	_____
_____	_____
_____	_____

2.06. Tenant's Kickout Option. In the event Tenant's Gross Sales (as hereinafter defined) do not exceed \$800,000 from the 49th through 60th month period commencing from the date Tenant opens for business, then Tenant shall have the option to terminate this Lease upon thirty (30) days prior notice to Landlord.

ARTICLE 3. RENT

3.01. Fixed Minimum Rent. Tenant agrees to pay to Landlord rent (hereinafter referred to as "Fixed Minimum Rent"), beginning on the Commencement Date, subject to Force Majeure, in the sum of \$69,300.00 per annum in lawful money of the United States of America, in equal monthly installments of \$5,775.00 in advance, on the first day of each month during said term, at the office of Landlord or such other place as Landlord may designate in writing. Fixed Minimum Rent shall increase 2.5% on the first day of the second Lease Year, and at the beginning of each following Lease Year in accordance with the schedule below:

Lease Year 2:	2/04	\$71,032.50 per annum, in equal monthly installments of \$5,919.38
Lease Year 3:	2/05	\$72,808.31 per annum, in equal monthly installments of \$6,067.36
Lease Year 4:	2/06	\$74,628.52 per annum, in equal monthly installments of \$6,219.04
Lease Year 5:	2/07	\$76,494.23 per annum, in equal monthly installments of \$6,374.52
Lease Year 6:		\$78,406.59 per annum, in equal monthly installments of \$6,533.88
Lease Year 7:		\$80,366.75 per annum, in equal monthly installments of \$6,697.23
Lease Year 8:		\$82,375.92 per annum, in equal monthly installments of \$6,864.66
Lease Year 9:		\$84,435.32 per annum, in equal monthly installments of \$7,036.28
Lease Year 10:		\$86,546.20 per annum, in equal monthly installments of \$7,212.18

3.02. Percentage Rent. Intentionally Omitted

3.03. Monthly Statements Intentionally Omitted.

3.04. Annual Statements. Intentionally Omitted.

3.05. Audit. Intentionally Omitted.

3.06. Business Records. Tenant may keep its business records in the manner which said records are maintained at a majority of Tenant's other stores in the state in which the Leased Premises are located and in accordance with generally accepted accounting principles.

3.07. Computation of Percentage Rent. Intentionally Omitted

3.08. Definition of Gross Sales. "Gross Sales" shall mean the dollar aggregate of the sales price of all goods, wares, and merchandise sold, and the charges for all services performed by Tenant in, at, on and/or from the Leased Premises (except as otherwise provided herein), whether made for cash, credit, or otherwise, including, but not limited to, such sales and services (i) where the orders therefore originate at and are accepted by Tenant in the Leased Premises, but delivery or performance thereof is made from or at any place other than the Leased Premises; (ii) pursuant to mail, telegraph, telephone, or other similar orders received or filled at or from the Leased Premises; (iii) as a result of transactions originating upon the Leased Premises; and/or (iv) which Tenant in the normal and customary course of its operations would credit or attribute to its business upon the Leased Premises, or any part or parts thereof.

3.09. Exclusions from Gross Sales. The following shall be excluded from Gross Sales: (i) Bona fide, close-out or bulk sales of inventory to jobbers or wholesalers; (ii) sales to Tenant's employees at a discount; (iii) shipping charges separately stated; (iv) proceeds of the sale of substantially all of the assets of Tenant at the Leased

Premises; (v) proceeds of insurance or condemnation; (vi) the unpaid balance of any credit or check sale which is written off as uncollectible in accordance with generally accepted accounting principles; (vii) proceeds of sales of trade equipment or fixtures, including track lighting; (viii) proceeds of sales from vending machines installed for the convenience of employees of Tenant; (ix) lay-away sales, except to the extent of amounts actually received by Tenant; (x) charges for alteration to apparel sold at the Leased Premises; (xi) the amount of all discounts, returns, refunds, credits, allowances and adjustments made to Tenant's customers; (xii) financing and credit card charges payable by Tenant to credit card companies; (xiii) finance charges on credit card sales payable to Tenant by Tenant's customers; (xiv) the amounts of all retail sales taxes, including federal, city, county or state sales tax, luxury or excise tax; (xv) the amount of returns to shippers or manufacturers for credit; (xvi) sums and credit received from shippers or manufacturers in settlement of claims for loss or damage to merchandise; and (xvii) the exchange or transfer of inventory between the Leased Premises and any store owned by Tenant or any parent, affiliate or subsidiary of Tenant, where such exchange or transfer is made for the convenient operation of Tenant's business and not for the purpose of avoiding a sale which would otherwise be included in Gross Sales.

3.10. Rent During Option Period(s). (a) In the event Tenant exercises the first (1st) right of renewal described in Section 1.06, Tenant agrees to pay to Landlord Fixed Minimum Rent in accordance with the following schedule:

Lease Year 11:	\$88,709.86 per annum, in equal monthly installments of \$7,392.49
Lease Year 12:	\$90,927.60 per annum, in equal monthly installments of \$7,577.30
Lease Year 13:	\$93,200.79 per annum, in equal monthly installments of \$7,766.73
Lease Year 14:	\$95,530.81 per annum, in equal monthly installments of \$7,960.90
Lease Year 15:	\$97,919.08 per annum, in equal monthly installments of \$8,159.92

(b) In the event Tenant exercises the second (2nd) right of renewal described in Section 1.06, Tenant agrees to pay to Landlord Fixed Minimum Rent in accordance with the following schedule:

Lease Year 16:	\$100,367.05 per annum, in equal monthly installments of \$8,363.92
Lease Year 17:	\$102,876.22 per annum, in equal monthly installments of \$8,573.02
Lease Year 18:	\$105,448.12 per annum, in equal monthly installments of \$8,787.34
Lease Year 19:	\$108,084.32 per annum, in equal monthly installments of \$9,007.03
Lease Year 20:	\$110,786.42 per annum, in equal monthly installments of \$9,232.20

3.11. Lease Interest Rate. All Fixed Minimum Rent, Common Area Expenses (as hereinafter defined), Percentage Rent or additional rent not paid by Tenant on the due date or the expiration of the term shall bear interest at the rate of two percent (2%) over the quoted prime interest rate of Citi Bank, N.A., computed from its due date (hereinafter referred to as the "Lease Interest Rate").

ARTICLE 4. COMMON AREA EXPENSES

4.01. Definitions.

4.01.01. "Tenant's Building" shall mean the building in which the Leased Premises are located.

4.01.02. "Tenant's Proportionate Share" means the percentage which the amount of square feet in the Leased Premises bears to the total amount of gross leasable floor area in the Shopping Center. Landlord represents that Tenant's Proportionate Share is seven and nineteen one-hundredths percent (7.19%) on the date hereof.

4.01.03. "Common Area" shall mean all land and improvements and mechanical equipment within and adjacent to the Shopping Center and the Leased Premises and shall include, without limitation, the structure, roof, sprinkler system, all parking areas, sidewalks, service areas, elevators, HVAC units, landscaping, driveways, curbs, fences, utilities, lighting facilities and all other improvements or facilities intended for the common use of the Shopping Center.

4.01.04. "Common Area Expenses" Common Area Expenses shall be those costs which Tenant shall pay to Landlord during the term of this Lease and any renewal thereof, which shall be calculated as Tenant's Proportionate Share of the total expense incurred by Landlord each year for all actual and reasonable costs incurred by Landlord in operating, maintaining and repairing the Common Area, including but not limited to, the following: (1) all charges for insurance as required by Article 16, together with charges for public liability and flood insurance carried by Landlord pertaining to the Leased Premises and the Shopping Center, and all charges for casualty insurance, workers' compensation coverage and other insurance with respect to the Leased Premises and the Shopping Center; (2) all water and sewer charges and the cost of refuse removal to the extent applicable to the Common Area; (3) all electricity, gas, and other fuel used in lighting, heating, ventilation and air conditioning of the Common Area and the cost of repairing and maintaining all equipment and facilities related thereto; (4) window cleaning and janitorial service including janitor's equipment and supplies, for the Common Area; (5) cleaning, lighting,

repairing and maintaining (including, without limitation, the parking areas, driveways, walkways, lawns and shrubbery); (6) the cost of all service contracts, including, without limitation, fire and sprinkler monitors, elevators, alarms, etc., if required, with respect to the Common Area; (7) security for the Leased Premises, Tenant's Building and the Shopping Center; (8) salaries, wages, property taxes and pension payments of Landlord's on-site, non-managerial, non-executive employees engaged in the operation and maintenance of the Shopping Center; (9) the cost of rental of equipment and the cost of materials, equipment and supplies used in the operation, improvement, repair and maintenance of the Common Area; and (10) fees for required licenses and permits for the Leased Premises and the Shopping Center.

(b) Exclusions from Common Area Expenses. Common Area Expenses shall not include (i) the initial cost of any construction of the Shopping Center or any part thereof, (ii) costs for any items which under generally accepted accounting principles would be capitalized, depreciated, or amortized (whether or not said items are leased, financed and/or purchased), (iii) salary, employee benefits and payroll taxes for off-site, executive or managerial personnel, (iv) brokerage fees and commissions incurred in connection with the sale or leasing of space in the Shopping Center, (v) such portion of any expense for which Landlord is entitled to reimbursement by insurance proceeds, condemnation awards, other tenants, or any other source, (vi) cost of performing additions, alterations, improvements or individual services for other tenants or vacant or vacated space (including, but not limited to, the repair and/or replacement of the roof over other tenants' premises), (vii) any payments required in connection with any debt or ground lease encumbering the Shopping Center, (viii) any amounts not actually expended, such as contingency funds, reserve funds or sinking funds, (ix) costs and expenses of enforcing lease provisions against other Tenants in the Shopping Center, including legal fees, (x) expenses resulting from a violation of Landlord of the terms of any lease of space in the Shopping Center or of any ground lease or mortgage to which this lease is subordinate, (xi) the repair of any part of the common area that was inadequately designed or defectively constructed, (xii) costs attributable to any exterior building painting, (xiii) all costs associated with the removal and clean up of hazardous wastes and toxic substances, and (xiv) all management fees.

(c) Competitive Costs. The charges for any services provided by affiliates, related or designated parties of Landlord which are included in Common Area Expenses shall be reasonable, customary and competitive with charges for similar services of independent contractors in the area where the Shopping Center is located.

4.02. Payment of Operation Costs. Common Area Expenses shall be calculated on a calendar year basis and Tenant's Proportionate Share of such costs shall be payable by Tenant monthly in an amount equal to 1/12 of the total Common Area Expenses which have been reasonably estimated by Landlord to be incurred during the then calendar year. Appropriate adjustments in such monthly charges shall be made by Landlord to reflect the actual results of each calendar year. Any such monthly charges shall be due and payable throughout the term of this Lease on the first day of each and every month thereof, pursuant to periodic notice by Landlord to Tenant of the amount of such charge.

Any increase in Common Area Expenses payable by Tenant shall be at a rate equal to the lesser of (i) the actual increase or (ii) eight (8%) percent of the previous year's Common Area Expenses. Landlord represents that Tenant's Common Area Expenses, taxes, insurance and all other items of additional rent for the first Lease Year shall not exceed \$2.52 per square foot.

4.03. Tenant's Right to Audit. Tenant shall have the right, but not more than once per year on reasonable prior notice to Landlord, to inspect, examine and make copies of, Landlord's books, records and computations with respect to Common Area Expenses, HVAC charges, utility charges, Insurance and Taxes, and Landlord shall retain such books, records and computations for at least three (3) years following the period to which they relate. In the event of any overpayment by Tenant, Landlord shall, within twenty (20) days after demand, refund the amount of overpayment to Tenant with interest thereon, from the date of overpayment to the date refunded at the rate set forth in Section 3.11 of the Lease. Alternatively, in the event of any overpayment by Tenant, Tenant shall be entitled to offset such excess against payments becoming due as additional rent. If the audit discloses a discrepancy in excess of five percent (5%), Landlord shall be obligated to pay all costs associated with such audit.

4.04. No Duplication of Charges. There shall be no duplication of costs, charges or expenses anywhere in this Lease, including, without limitation, charges for utilities, HVAC, insurance, Taxes, Common Area Expenses or depreciation. Furthermore, Landlord covenants and agrees that there will be no additional overhead, administrative, management or supervisory costs other than those contained in the fifteen (15%) percent administrative charge for operating and maintaining the Common Area pursuant to this Lease.

4.05. Overpayment of Charges. Any overpayment by Tenant of Common Area Expenses, Taxes, insurance or any other charges concerning the final Lease Year of the term shall be refunded by Landlord to Tenant within thirty (30) days of the expiration of the Lease term.

4.06. Income to Defray Common Area Maintenance Expenses. Before computing Tenant's pro-rata share of Common Area Expenses, Landlord shall be required to deduct income derived from the following: (i) tenants who

y separately for CAM, (ii) parking fees, (iii) kiosk rentals and charges, (iv) stroller rentals, (v) shuttle bus charges,) promotional events, and (vii) other services provided by Landlord in which Landlord receives a fee.

ARTICLE 5. TAXES

01. Payment of Taxes. Tenant shall pay to Landlord Tenant's Proportionate Share with respect to that portion of the real estate taxes assessed against the Shopping Center ("Taxes"), or any part thereof, as in Section 4.02 above on the basis of 1/12 of the annual estimated amounts.

02. Exclusions from Taxes. Taxes shall not include any interest or penalties imposed by the assessing authority except if arising as a result of Tenant's late payment of Tenant's proportionate share thereof. If Landlord shall obtain a refund or abatement of any Taxes to which Tenant contributes, Landlord shall refund to Tenant its proportionate share thereof less its proportionate share of Landlord's reasonable costs of obtaining same. In no event shall Tenant be liable for such charges unless there shall be a net savings to Tenant. Taxes shall not include any corporate, personal property, franchise, capital levy, inheritance, transfer or income tax levied on Landlord. Taxes allocable to the Shopping Center shall include taxes on the Shopping Center but shall not include taxes on improved parcels of land.

03. Installments. If general or special assessments may be paid in installments over a period of years, only the installments coming due during the tax year in question during the Lease term shall be included in Taxes payable by Tenant for such year.

04. Partial Construction. If any building in the course of construction is fully or partially assessed, then the gross leasable area of such building shall be included in the gross leasable area of the Shopping Center or in lieu thereof, the taxes attributable to such building shall be subtracted from the taxes payable hereunder.

ARTICLE 6. ALTERATIONS

01. Landlord's Consent. No structural alterations, additions, improvements or roof penetrations shall be made in or to the Leased Premises, or Tenant's building, without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Said consent of Landlord shall not be deemed to be a representation or warranty, on the part of Landlord, that the engineering or use of said alteration, addition, improvement, is sound or fit for any particular purpose, nor shall it relieve Tenant of its obligation to perform the work in a good workmanlike manner and in accordance with the applicable building codes and engineering standards. If Landlord shall consent, all additions and improvements (including, but not limited to, security and electrical installations, plumbing installations, heating units, cooling and/or refrigeration units and trade fixtures) shall, at Landlord's option, become the property of Landlord. All such work shall be done at such times and in such a manner as shall not cause any unreasonable inconvenience to other tenants of Tenant's Building. Tenant shall comply with all governmental rules and regulations in connection with such work; shall prevent any lien or obligation from being created against or imposed upon the Leased Premises; will discharge all liens in accordance with the provisions of Article 11 herein; and will pay all charges for services rendered or materials furnished after they become due and payable. If arranged with Landlord in writing in advance, certain improvements may be made by Tenant and be removed by Tenant at a later date, provided such arrangements include an approved plan or restoration.

02. Tenant's Permitted Alterations. Tenant shall be permitted to perform non-structural alterations without Landlord's consent, provided such alterations do not adversely affect Tenant's storefront or the electrical, plumbing or HVAC systems located in the Leased Premises. Tenant may install any professionally prepared standard interior signage on the windows and within the Leased Premises without Landlord's prior consent. All signage, decorative lighting, millwork and trade fixtures installed in the Leased Premises by Tenant shall be and remain the property of Tenant and Tenant may remove same at the expiration or sooner termination of this Lease and shall repair any damage caused thereby.

03. Structural Alterations. Landlord shall, without expense to Tenant, make any and all structural or extraordinary alterations (including, but not limited to the installation of a sprinkler system at the Leased Premises) required to be made to the Leased Premises by law, ordinance or regulation of any governmental authority, including, but not limited to, Americans with Disabilities Act ("ADA") requirements, board of fire insurance underwriters, Landlord's insurers, or similar authority.

04. Awnings. Tenant shall have the right, without Landlord's consent, to install, at Tenant's sole cost and expense, an awning at the front entrance (and/or side entrance, if any) to the Leased Premises. Landlord agrees to cooperate with Tenant to obtain all necessary permits necessary to perform said installation.

6.05. Surrender of Leased Premises. Tenant shall not be required to remove its alterations and restore the Leased Premises to its original condition upon the expiration or earlier termination of this Lease unless Tenant has specifically agreed to such obligation at the time Landlord approves Tenant's plans and specifications therefor.

ARTICLE 7. MAINTENANCE AND REPAIR OF THE LEASED PREMISES

7.01. Tenant's Repairs. Tenant shall be responsible to maintain the interior, non-structural portions of the Leased Premises and in connection therewith, shall make all necessary repairs and perform all maintenance thereon including, but not limited to, janitorial service, repair and replacement of lighting and electrical fixtures, plumbing located within and exclusively serving the Leased Premises, HVAC systems, windows, doors and painting.

7.02. Landlord's Right to Cure. Landlord may elect to make those repairs which are Tenant's responsibility should Tenant fail to do so within thirty (30) days of its receipt of written notice from Landlord, or if such repairs cannot be completed within thirty (30) days, should Tenant fail to commence to perform such repairs during said thirty (30) day period and pursue the same to completion with due diligence. In such event Tenant shall remit to Landlord the actual and reasonable cost of such repairs performed at a locally competitive price within thirty (30) days after invoices are rendered to Tenant by Landlord. Should Landlord make said repairs, the method and manner of same shall be in the reasonable discretion of Landlord. Notwithstanding anything herein to the contrary, Landlord shall notify Tenant before making any repairs to Tenant operated and/or maintained equipment.

7.03. Landlord's Repairs. Landlord shall promptly make all necessary repairs to the Leased Premises and Tenant's Building including, without limitation, exterior walls, foundations, roof structure and roof and all structural portions and shall maintain in good repair the floor slab, all utility lines, pipes and conduits located outside of or inside, but not exclusively serving the Leased Premises, the sewage system, gutters, downspouts, utility and water lines and HVAC system located outside of or inside, but not exclusively serving the Leased Premises (exclusive of systems or lines owned by a municipality or similar public or quasi-public authority). Landlord shall make all repairs with due diligence and due care in a good and workmanlike manner and in compliance with all applicable local, state and Federal regulations, ordinances and laws and in making such repairs shall use reasonable efforts to prevent any interference with Tenant's use of the Leased Premises. Landlord shall promptly restore any damage to any portion of the Leased Premises resulting from any act or omission of Landlord, its agents, servants, employees or contractors.

7.04. Tenant's Right to Cure. If Landlord has not commenced the repair or maintenance required to be performed by Landlord hereunder within ten (10) days after written notice thereof from Tenant, or if so commenced, is not diligently pursuing same to completion, Tenant shall have the right, but not the obligation, to make such repairs and Landlord shall reimburse Tenant for the reasonable cost thereof within ten (10) days after receipt of a bill therefor from Tenant. In the event of an emergency, Tenant may (but shall not be obligated to) perform such repairs which would otherwise be Landlord's obligation hereunder which may be reasonably necessary, after having given Landlord such notice, if any, as may be practicable under the circumstances. Tenant shall not be responsible for any loss or damage to Landlord's property that may result from such repairs. Notwithstanding anything to the contrary set forth hereinabove, Tenant shall not be required to perform any repairs which would otherwise be Landlord's obligation hereunder.

7.05. Abatement of Rent. If as a result of: (a) Landlord's making of any repairs to the Leased Premises; or (b) Landlord's performing of any repairs, additions, alterations, renovations, reconfigurations or improvements in or to the Shopping Center; or (c) Landlord's failure to supply any Utility (if Landlord shall supply such Utility); or (d) Landlord's removal of Hazardous Materials (as hereinafter defined) from the Leased Premises, there is a material interference with Tenant's ability to conduct its business in the Leased Premises ("Interference") then all payments of Fixed Minimum Rent and additional rent shall be abated from the date of Interference until such Interference ceases.

7.06. Landlord's Representation. Landlord represents and warrants that as of the date the Leased Premises is delivered to Tenant that all utilities, plumbing, sprinkler, HVAC and electrical systems are all in good working order. In the event, during the first Lease Year, it shall be necessary for the repair or replacement of the HVAC system serving the Leased Premises, Landlord shall perform such repair or replacement at its sole cost and expense.

In addition, the roof is free from leaks and there are no structural defects in the Leased Premises or the Shopping Center. Also, there are no violations filed against the Leased Premises or the Shopping Center which would prevent Tenant from obtaining any permits or approvals required in connection with the performance of any work at the Leased Premises or the Shopping Center. Landlord further represents that the Leased Premises are free of vermin and termites.

ARTICLE 8. DEFAULTS AND REMEDIES

8.01. Defaults. Each of the following shall constitute an "Event of Default": (a) the failure of Tenant to pay within ten (10) days after notice, any and all installments of Fixed Minimum Rent, Common Area Expenses, Percentage Rent, additional rent or other charge payable hereunder; (b) the failure to perform, or the violation or breach by Tenant of any of the terms, covenants or conditions hereof for a period of thirty (30) days after notice (or such additional period of time as is necessary provided Tenant is diligently pursuing the same to completion); (c) permitting the Leased Premises to become vacant or deserted or abandoned by Tenant for a period of thirty (30) days after notice; and (d) an assignment by Tenant for the benefit of creditors, a petition in bankruptcy being filed by or against Tenant, or the filing of a bill in equity or other proceeding for the appointment of a receiver or trustee for all or any part of the assets or properties of Tenant, or if Tenant is adjudicated as bankrupt or is judged to be insolvent, or if there is advertised any sale of Tenant's property under process of law, or if the assets or property of Tenant shall be attached or levied upon, for more than ninety (90) days after Tenant shall have received written notice of same.

8.02. Remedies of Landlord. Upon the occurrence of any Event of Default after notice, and the expiration of any applicable grace and cure periods, Landlord shall have, by way of example, but not by limitation, the following remedies: (a) Landlord may bring an action or actions for rent or any other sum due and owing from Tenant to Landlord, and/or an action to dispossess or remove Tenant; (b) Landlord may bring an action against Tenant for damages resulting from any default by Tenant under the terms of this Lease; (c) Landlord may cure any default for the account of Tenant, and the cost of curing such default plus interest at the Lease Interest Rate shall be added to the rent due and payable, together with the next ensuing installment of rent; and/or (d) Landlord may terminate this Lease by written notice delivered to Tenant setting forth a date for expiration which shall be not less than thirty (30) additional days after the date of said notice, and thereupon this Lease shall expire and terminate, and Tenant shall then quit and surrender the Leased Premises to Landlord; subject to legal process and notice. Except if Landlord terminates this Lease, Tenant shall continue to remain liable under the terms of this Lease and shall pay to Landlord the rent herein reserved upon the several rent dates as the same becomes due provided, however, that if Landlord relets the Leased Premises, Tenant shall be granted credit for the "net proceeds" of any such reletting.

8.03. Reletting. Landlord may relet the Leased Premises upon such terms and conditions as Landlord reasonably deems advisable, for a term either longer or shorter than the term herein reserved, and may grant such reasonable concession in rent or otherwise as Landlord reasonably deems advisable. For purposes hereof, the net proceeds of any such reletting shall be the rent realized, reduced by the costs of such reletting including, without limitation, commissions, and costs of repairs to the Leased Premises.

8.04. Surplus Rent. Tenant shall not be entitled to any surplus occurring as a result of the reletting. The exercise of any one or more of the above remedies shall not be deemed to operate: (1) as a waiver of Landlord's rights to exercise any one or more of the other such remedies; or (2) as a waiver of Landlord's right to exercise any such remedy at any other future time; or (3) as a waiver of any other remedy Landlord may have in law or equity.

8.05. Mitigation of Damages by Landlord. Notwithstanding anything herein to the contrary, Landlord shall use its best efforts to mitigate its damages by reletting the Leased Premises at the then prevailing market rate.

8.06. Non-Waiver by Landlord. The failure of Landlord to seek redress for violation of, or to insist upon the strict performance of, any term, covenant or condition of this Lease or any of the rules or regulations set forth or hereafter adopted by Landlord, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation. The receipt by Landlord of rent with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach and no provision of this Lease shall be deemed to have been waived by Landlord unless such waiver shall be in writing signed by Landlord. Except as otherwise provided herein, no payment by Tenant or receipt by Landlord of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease.

8.07. Waiver of Trial by Jury. It is mutually agreed by and between Landlord and Tenant that the respective parties hereto shall, and they hereby do, waive trial by jury in any action, proceeding or counterclaim against the other (except for personal injury or property damage) on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Leased Premises, and any emergency statutory, or any other statutory remedy.

8.08. Litigation. In the event of any suit or litigation between Landlord and Tenant arising from or in connection with this Lease the losing party shall pay the reasonable fees and expenses of the successful party at all levels of trial, negotiation or appeal.

8.09. Landlord's Remedies. Notwithstanding any rights which may be conferred upon Landlord in law, equity, or otherwise, in no event shall Landlord be entitled to collect rent and damages due hereunder on an accelerated basis upon default by Tenant. Notwithstanding a default by Tenant, any rent and damages due hereunder shall only become due and payable by Tenant in the amounts and at the times set forth herein for the payments thereof.

ARTICLE 9. DAMAGE TO THE LEASED PREMISES

9.01. Landlord's Right to Terminate. In the event that the Leased Premises are totally destroyed, or so damaged by fire or other casualty so that the same, in the reasonable opinion of Landlord, cannot be repaired and restored within a period of six (6) months, this Lease shall at the option of Landlord terminate and the Fixed Minimum Rent and all additional rent and charges shall abate for the balance of the lease term. Landlord shall serve notice upon Tenant within thirty (30) days after the casualty as to whether the Leased Premises can and will in fact be repaired and restored within the six (6) month period.

9.02. Tenant's Right to Terminate. If (a) the Leased Premises are damaged by casualty, in whole or in part, during the last three (3) years of the Lease term, or (b) if at any time during the Lease term the Leased Premises are destroyed by casualty, in whole or in part and Landlord shall not begin the repair thereof within six (6) months of the date of the casualty or, (c) if Landlord has not completed the repair of any casualty within one (1) year of the date of the casualty, then Tenant shall have the right to terminate this Lease on thirty (30) days notice to Landlord.

9.03. No Discrimination in Termination. Landlord shall not exercise any rights that it may have to terminate this Lease unless it simultaneously terminates the leases of all other tenants in the Shopping Center similarly affected with respect to such casualty or condemnation.

9.04. Landlord's Repair. If the damage caused as hereinabove referenced is only partial and such that the Leased Premises can, in the reasonable opinion of Landlord, be restored to their present condition within a period of six (6) months, Landlord agrees with reasonable promptness to restore the same, reserving the right to enter upon the Leased Premises for that purpose. Landlord also reserves the right to enter upon the Leased Premises whenever necessary to repair damage caused by fire or other casualty to the Leased Premises, or Tenant's Building, even though the effect of such entry would be to render the Leased Premises, or a part thereof, untenantable. In either event, the Fixed Minimum Rent and all additional rent and charges shall be apportioned and/or suspended during the time Landlord is in possession, taking into account the proportion of the Leased Premises rendered untenantable and the duration of Landlord's possession.

9.05. Tenant's Right to Close. If any of the Major Tenants or tenants occupying fifty percent (50%) or more of the remaining gross leasable area of the Shopping Center shall be damaged by casualty and shall close for business, Tenant shall have the right to close and upon such closure all Fixed Minimum Rent, Percentage Rent, and additional rent and charges shall be abated until the earlier to occur of the date Tenant shall reopen or the date all of the Major Tenants and fifty percent (50%) or more of the remaining gross leasable area in the Shopping Center shall re-open.

9.06. Reimbursement of Unamortized Costs. If Landlord terminates this Lease in the event of a casualty or condemnation to the Shopping Center and the Leased Premises has not been damaged in whole or in part by such casualty, Landlord shall reimburse Tenant for Tenant's unamortized cost of its leasehold additions, alterations, improvements and trade fixtures, such amortization to be computed assuming a useful life equal to the term of this Lease (including any option periods, if Tenant has exercised such option(s)) and assuming a straight line method of depreciation.

9.07. Extension of Term. In the event of a casualty to the Leased Premises or the Shopping Center which results in Tenant either (a) being unable to operate its Premises for the purposes set forth herein or (b) closing the Leased Premises for business pursuant to this Article, the term of this Lease, shall at the option of Tenant, be extended for the period of time that Tenant did not operate its business.

9.08. Renewal Option. If Tenant has an option to extend this Lease, said option may be exercised within ninety (90) days of Landlord's notice of cancellation and said notice of cancellation shall be deemed null and void. Promptly thereafter, Landlord shall be required to rebuild and/or restore the Leased Premises to the condition required under this Lease.

9.09. Abatement of Rent and Charges. If the Leased Premises are rendered untenantable, or unsuitable for Tenant's business, Tenant shall not be required to resume payment of Fixed Minimum Rent, Percentage Rent, additional rent and charges until Tenant's reopening for business as specified under "Commencement Date" in Section 1.02.

ARTICLE 10. CONDEMNATION

In the event of a taking of the Leased Premises or any part thereof, by reason of condemnation for a public or quasi-public use, this Lease shall, (a) as to the part so taken, terminate as of the date title is vested in the condemnor, and rent and all other charges payable hereunder shall abate proportionately to the square feet of Leased Premises taken or condemned or (b) cease if the entire Leased Premises is taken. In the event any portion of the Leased Premises are subject to a taking, then Tenant may, upon thirty (30) days prior written notice to Landlord, terminate this Lease.

ARTICLE 11. MECHANICS' LIEN

11.01 Mechanics' Liens Prohibited. Tenant shall not suffer any mechanics' lien to be filed against the Leased Premises, or Tenant's Building by reason of work, labor, services or materials performed or furnished to Tenant. If any mechanics' lien or any notice of intention to file a mechanics' lien shall at any time be filed against the Leased Premises, unless the labor or materials were actually performed for or furnished to Landlord in connection with its obligations under this Lease, Tenant shall, at Tenant's cost, within thirty (30) days after knowledge or notice of the filing of any mechanics' lien, cause the same to be removed or discharged of record by payment, posting a bond, obtaining an order of a court of competent jurisdiction, or otherwise.

11.02 Landlord's Remedy for Tenant's Breach. If Tenant shall fail to remove or discharge any mechanics' lien within the prescribed time, then in addition to any other right or remedy of Landlord as provided for in Article 8 herein Landlord may, at its option, procure the removal or discharge of the same by payment or bond or otherwise. Any amount paid by Landlord for such purpose, together with all actual and reasonable legal fees and other expenses of Landlord in procuring the removal or discharge of such lien or notice of intention, together with interest thereon at the Lease Interest Rate, shall become due and payable by Tenant to Landlord as additional rent, within twenty (20) days of request.

ARTICLE 12. SUBORDINATION

12.01. Prior Encumbrances. Tenant acknowledges and agrees that this Lease shall be subject and subordinate to any and all mortgages, deeds of trust or other encumbrances which are in effect prior to the execution of this Lease. Landlord represents that as of the date hereof the only mortgages or trust deeds encumbering the Leased Premises or the Shopping Center are held by GMAC. Landlord shall use all reasonable efforts to obtain a nondisturbance agreement in Tenant's favor from the holder of each of such encumbrances within sixty (60) days of the date hereof.

12.02. Future Encumbrances. This Lease shall be subject and subordinate to any deed, mortgage or other encumbrance created after the date hereof provided that the holder of such encumbrance shall execute an agreement in substance and form reasonably satisfactory to Tenant whereby such holder agrees that Tenant will be permitted to remain in undisturbed possession, use and enjoyment of the Leased Premises so long as Tenant is not in default under the terms and conditions of this Lease after the giving of notice by Landlord and the expiration of the applicable grace or cure period provided hereunder.

12.03. Attornment. Tenant shall attorn to any subsequent purchaser or transferee of Landlord's interest in the Shopping Center provided that such purchaser or transferee shall assume Landlord's obligations hereunder and permit Tenant to remain in undisturbed possession, use and enjoyment of the Leased Premises, and further provided Tenant is not in default hereunder after notice and the expiration of any grace or cure period provided hereunder.

ARTICLE 13. UTILITIES

13.01. Tenant agrees to pay all charges for gas, electricity, water, light, heat power, sewer rents, transit taxes, county taxes, excises, levies, vault and all other license and permit fees, and other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, and/or other services used or charges imposed for utilities located within and exclusively serving the Leased Premises. Landlord shall not be required to furnish any services or facilities, or to make any repairs or alterations in or to the Leased Premises except as otherwise provided herein.

13.02. Utility Equipment. Tenant shall have the right to use all existing wires, feeders, risers, lines, conduits and other utility equipment in the Leased Premises at no cost to Tenant.

13.03. Utilities Provided by Landlord. Landlord represents and warrants that as of the date hereof, all Utilities are separately metered; In the event in the future, Landlord elects, or is required by law to provide Utilities to Tenant, and if Landlord furnishes any electricity, water, sewer, heating, air conditioning, ventilating or other utility services ("Utilities") to the Leased Premises, Tenant's charges for such Utilities shall not exceed the charges which Tenant

would pay if Tenant were to purchase such Utilities directly from the public utility servicing the area in which the Leased Premises are located. Also, if the Landlord operates the HVAC system at the Leased Premises, the cost to Tenant of such operation shall not exceed the cost Tenant would have incurred had Tenant operated its own HVAC system at the Leased Premises. If Tenant should disagree with Landlord's determination of the quantity of consumption of or the cost of such Utilities, Tenant may, but shall not be obligated to, purchase a check or test meter which it may install at the Leased Premises. Following its installation, the check or test meter shall be utilized for sixty (60) days and the results thereof shall be retroactive and binding on Landlord and Tenant and an appropriate adjustment shall be made for the entire period in dispute.

13.04. Change in Supply of Utilities. Landlord shall not discontinue furnishing any Utility to Tenant until Tenant shall receive such Utility from an alternate source of supply. If Landlord shall voluntarily effectuate a change in the supply of any Utility, whether by electing to provide a Utility previously furnished by the public utility or some other source, or by discontinuing a Utility previously furnished by Landlord, Landlord shall pay all costs in connection with such change.

ARTICLE 14. RIGHT TO INSPECT AND REPAIR THE LEASED PREMISES

Tenant shall permit Landlord and the authorized representatives of Landlord to enter the Leased Premises at reasonable times and upon reasonable notice during Tenant's normal business hours for the purpose of making any necessary repairs to the Leased Premises, to inspect the Leased Premises and to exhibit same to prospective purchasers, and mortgagees. Landlord shall also be allowed to enter the Leased Premises at any time in connection with an emergency situation for inspection and repair.

ARTICLE 15. FORCE MAJEURE

If either party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials or permits, restrictive governmental laws or regulations or other cause without fault and beyond the control of the party obligated, including Landlord's Obligation, as herein defined, (financial inability excepted), (hereafter referred to as "Force Majeure"), performance of such act shall be excused for the period of delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

If, in the course of Tenant's Work, prior to the Rent Commencement Date, Tenant discovers any defect or repair in the Premises that is Landlord's responsibility to cure under the Lease, (herein called "Landlord's Obligation") and Tenant notifies Landlord of Landlord's Obligation upon Tenant's discovery, the Rent Commencement Date and all of Tenant's obligations under the Lease shall toll one (1) day for every day between and including the date Landlord receives notice of Landlord's Obligation and the date Tenant receives written notice that Landlord's Obligation has been fully cured by Landlord. For purposes of this Section, the presence of Hazardous Materials shall be deemed Landlord's Obligation.

ARTICLE 16. INSURANCE BY LANDLORD: PROCEEDS FOR RESTORATION

(a) Landlord shall maintain with responsible companies fire and extended coverage insurance, including vandalism, malicious mischief, sprinkler leakage and flood endorsements covering the replacement cost of the entire Shopping Center less foundations and excavations in an amount not less than ninety percent (90%) of the replacement value or the amount necessary to prevent Landlord from becoming a co-insurer.

(b) Landlord shall maintain with responsible companies, public liability insurance insuring Tenant and Tenant's guarantor (if any) as an additional insured against all claims, demands and actions for injury to or death of any one person in the amount of not less than \$1,000,000 and for injury to or death of more than one person in any one accident in an amount of not less than \$20,000,000 and for damage to property in an amount not less than \$10,000,000 (or combined single limit coverage of \$50,000,000) made by or on behalf of any person, firm or corporation, arising from, related to, or connected with the conduct and operation of Landlord in the Common Areas, and anywhere upon Landlord's tract and should hold Tenant and Tenant's guarantor (if any) harmless and indemnified from all injury, loss, claims or damage to any person or property while in the Common Area or any other part of the Shopping Center.

(c) Notwithstanding anything contained in this Lease to the contrary, the limits of such insurance as set forth above, shall not limit Landlord's liability hereunder.

ARTICLE 17. INSURANCE BY TENANT: LIABILITY AND OTHER INSURANCE

17.01. Insurance Requirements. Tenant shall, at its own cost and expense, provide and keep in force during the lease term general liability insurance, such insurance to be written by an insurance company or companies authorized to do business in the state in which the Leased Premises are located and which are reasonably acceptable to Landlord, insuring Tenant against claims for death or personal injuries in or about the Leased Premises in the amount of \$1,000,000 against loss for death or injuries to any one person; and \$5,000,000 against loss for death or injuries to more than one person in any one accident, together with property damage coverage in the amount of \$500,000. Certificates evidencing same shall be furnished to Landlord within thirty (30) days of demand. Such certificate of insurance shall, upon request, include as additional named insureds Landlord and mortgagee(s), if any, and a ten (10) day prior written notice to additional named insureds prior to cancellation. If Tenant fails or neglects to provide such insurance, Landlord, shall have the right, but not the obligation after notice, to cause such insurance to be issued at Tenant's cost and expense, and the cost thereof shall be payable within thirty (30) days of notice.

17.02. Blanket Policy/Self Insure. Tenant may maintain all or any part of the insurance required pursuant to this Lease in the form of a blanket policy covering other locations in addition to the Leased Premises. In lieu of carrying all insurance required under this Lease, other than public liability insurance, Tenant may self insure such risks, provided, however, that Tenant or Tenant's parent corporation has assets exceeding \$10,000,000.

17.03. No Premium Increase. Tenant's use of the Leased Premises for the permitted use as set forth herein shall not be deemed to increase Landlord's insurance premiums for fire and extended coverage insurance (or "all risk" insurance, as the case may be).

17.04. Waiver of Subrogation. Insofar as and to the extent that the following provision may be effective without invalidating or making it impossible to secure insurance coverage obtainable from responsible insurance companies doing business in the State of Texas (even though extra premium may result therefrom), Landlord and Tenant mutually agree that with respect to any loss which is covered by insurance then being carried by them, respectively, the one carrying such insurance and suffering said loss releases the other from any and all claims with respect to such loss to the full extent and they further mutually agree that their respective insurance companies shall have no right of subrogation against the other on account thereof. In the event that any additional premium is payable by either party as a result of this provision, the other party shall reimburse the party paying such premium the amount of such extra premium. The releases herein contained shall not apply to any loss or damage occasioned by the willful acts of either of the parties hereto.

ARTICLE 18. TENANT'S INDEMNITY

Tenant shall indemnify, hold harmless and defend Landlord from and against any and all claims, demands, damages, judgments, fines, penalties, losses, costs and expenses, including reasonable attorneys' fees, incurred by Landlord as a result of: (a) any accident occurring on or about the Leased Premises; (b) the negligent or willful acts or omissions of Tenant, its agents, contractors and employees; or (c) a breach of the provisions of this Lease by Tenant, its agents, contractors or employees.

ARTICLE 19. LANDLORD'S INDEMNITY

Landlord shall indemnify, hold harmless and defend Tenant from and against any and all claims, demands, damages, judgments, fines, penalties, losses, costs and expenses, including reasonable attorneys' fees, incurred by Tenant as a result of: (a) any accident occurring on or about the common areas of the Shopping Center; (b) the negligent or willful acts or omissions of Landlord, its agents, contractors or employees; or (c) a breach of the provisions of this Lease by Landlord, its agents, contractors or employees.

ARTICLE 20. ASSIGNMENT, SUBLETTING, ETC.

20.01 Assignment Without Landlord's Consent. Notwithstanding anything to the contrary in the Lease, Tenant may assign the Lease or sublet the entire Leased Premises without Landlord's prior approval, provided: (i) any assignee assumes in writing the performance and observance of all the terms, covenants and conditions of the Lease; (ii) any assignee or sublessee agrees in writing to continue to occupy the Leased Premises in accordance with all provisions of the Lease, including without limitation provisions regarding the use and operation of the Leased Premises; (iii) a copy of the sublease or assignment and assumption agreement is delivered to Landlord; and (iv) the assignee or sublessee is a parent, affiliate or wholly-owned subsidiary of Tenant or of Tenant's parent company or of Tenant's guarantor, if any, or is a successor to Tenant by way of merger, consolidation or corporate reorganization, private placement or by the purchase of all or a portion of the assets or shares of stock of Tenant, or in connection with the sale of at least three (3) stores of a chain trading under the same tradename as Tenant.

20.02 Landlord's Consent Not Unreasonably Withheld. Landlord shall not unreasonably withhold or delay its consent to any other assignment of his Lease or subletting of the Leased Premises by Tenant, provided (a) any assignee shall assume in writing the performance and observance of all of the terms, covenants and conditions of this Lease, including the use permitted hereunder, (b) a copy of the sublease or assignment and assumption agreement is delivered to Landlord, and (c) any assignee or sublessee shall have a reputation, experience and financial condition equal to or better than Tenant, as reasonably determined by Landlord.

20.03 Change of Ownership. It shall not be deemed an assignment of this Lease and Landlord's consent shall not be required (regardless of any resulting change of control of Tenant) in the event that Tenant or its parent company, subsidiary or affiliate becomes a publicly traded company whose outstanding voting stock is listed on a "national securities exchange," as defined in the National Securities Exchange Act of 1934 or in the event of a private placement or sale of stock of Tenant or its parent company, subsidiary or affiliate.

20.04 Concessionaires. Tenant may permit up to fifteen (15%) percent of the gross leasable area of the Leased Premises to be occupied by concessionaires without Landlord's consent provided that the sales of such concessionaires are included in Gross Sales. The Fixed Minimum Rent and additional rent received from such concessionaires, however, shall be excluded from Gross Sales.

20.05 Family Transfer. Intentionally Omitted.

20.06 Landlord's Consent. If Landlord shall not respond to Tenant's request to assign or sublet within thirty (30) days of its presentment, such request shall be deemed approved by Landlord.

ARTICLE 21. ESTOPPEL CERTIFICATE BY TENANT

Tenant agrees at any time and from time to time, upon not less than thirty (30) days prior notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing, addressed to Landlord, certifying that to the best of Tenant's knowledge this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified, and stating the modifications); stating the dates to which the Fixed Minimum Rent, Common Area Expenses, Percentage Rent, additional rent and other charges have been paid, and stating whether or not, to the best knowledge of the signer of such certificate, there exists any default in the performance of any covenant, agreement, term, provision or condition contained in this Lease, and if so, specifying each such default of which the signer may have knowledge, it being intended that any such statement delivered pursuant hereto may be relied upon by Landlord and by any mortgagee or prospective mortgagee of any mortgage affecting Tenant's Building, or the land, and by any Landlord under this Lease or any underlying lease.

ARTICLE 22. SIGNS

22.01. Tenant's Trade Name Sign. Tenant shall permitted to place signs of any kind whatsoever on, in, or about the Leased Premises without the written consent of Landlord. All signs shall comply with the applicable rules and regulations of the applicable governmental boards and bureaus having jurisdiction thereof, and Tenant shall remove same at the expiration or sooner termination of this Lease.

22.02. Pylon Signs. In the event there is a Pylon sign located at the Shopping Center, then Tenant shall have the right to have its trade name displayed upon such Pylon sign immediately upon full execution of this Lease. Additionally, Tenant shall have the right to install under canopy signs, where applicable.

22.03. Sign Removal. If, during any remodeling, repair or expansion of the Shopping Center (the "Work"), it is necessary for Landlord to remove Tenant's storefront sign (the "Permanent Sign"), or to install scaffolding or other aids for performing the Work that obscures the Permanent Sign in whole or in part, then Landlord may do so, provided Landlord complies with the requirements set forth below:

a. Permanent Sign. Removal of the Permanent Sign shall be subject to the following conditions:

(i) Landlord shall, at its sole cost and expense, remove the Permanent Sign in a careful manner so as not to damage it, and store it in an appropriate facility;

(ii) As soon as the Work has progressed to the point that the Permanent Sign can be reinstalled, Landlord, at Landlord's sole cost and expense, shall reinstall the Permanent Sign at its former location; and

(iii) Landlord, at Landlord's sole cost and expense, shall promptly repair any damage to the Permanent Sign which occurs during the removal, storage, or reinstallation thereof; and

b. Temporary Sign. If the Permanent Sign is removed or blocked by scaffolding or other Work for a period in excess of seven (7) days, then Landlord, at Landlord's sole cost and expense, shall provide a temporary sign to advertise Tenant's business. Such temporary sign shall be as similar as reasonably possible in both size and style to the Permanent Sign, and shall be installed by Landlord in a location as near as reasonably possible to the location from which the Permanent Sign was removed or blocked, consistent with the goal of achieving maximum visibility for such temporary sign.

22.04. Sign Structure. Intentionally Omitted.

ARTICLE 23. WATER LEAKAGE

It is expressly agreed and understood by and between the parties that Landlord, its agents, contractors, or employees, shall not be liable for any damage, property damage or injury by water, wind, hurricane, flood or any other casualties, or act of God which may be sustained by Tenant unless resulting from the negligent or willful act or omission of Landlord, its agents, contractors, or employees.

ARTICLE 24. RETURN OF THE LEASED PREMISES IN GOOD CONDITION

Tenant shall, upon the expiration or prior termination of this Lease, surrender to Landlord the Leased Premises, broom clean, subject, however, to natural wear and tear, and to damage or destruction, or to a taking by eminent domain.

ARTICLE 25. REPRESENTATIONS BY LANDLORD

25.01. Landlord's Representation. Neither Landlord, nor Landlord's agents have made any representation or promise with respect to the physical condition of Tenant's Building, the land upon which it is erected, the Leased Premises, the rents, expenses of operation or any other matter or thing affecting or related to the Leased Premises or Tenant's Building except as herein expressly set forth, and no rights, easements or licenses are acquired by Tenant, by implication or otherwise, except as expressly set forth in the provisions of this Lease.

25.02. Landlord's Authority. Landlord has the right and lawful authority to enter into this Lease and perform Landlord's obligations hereunder, including, but not limited to the right and lawful authority to terminate any rights of any present or prior tenant of the Leased Premises and deliver possession thereof to Tenant.

25.03. Zoning and Restriction.

(a) Landlord represents, warrants and covenants that the Leased Premises are presently zoned, and are in conformity with applicable law, so as to permit: (i) the renovation of the Leased Premises in accordance with the provisions hereof; (ii) the operation of a retail store business in the Leased Premises upon the renovation thereof in accordance with the provisions hereof; (iii) the Leased Premises to be lawfully used for retail sales to the public of merchandise and services as set forth herein; and (iv) sufficient parking to comply with applicable zoning codes of at least five (5) spaces per 1,000 square feet of the Leased Premises.

(b) Landlord represents, warrants and covenants that Landlord's title to the Leased Premises is not subject to any covenants, agreement, reservation, lien, easement, restriction and/or encumbrance (Encumbrance) which would prohibit Tenant from using the Leased Premises in accordance with the Permitted Use.

25.04. Hazardous Substances. The Landlord represents, warrants and covenants that the Leased Premises, Tenant's Building and the Shopping Center are free from the contamination of hazardous wastes or materials, including but not limited to, asbestos and asbestos containing materials (collectively "Hazardous Materials"). For the purposes of this Section, Hazardous Materials shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et. seq.; the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Section 1801 et. seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et. seq. and any applicable state laws; and the regulations adopted and publications promulgated pursuant to said laws. Landlord agrees to indemnify and to hold Tenant and any guarantor harmless from any and all claims, demands, losses, liabilities, penalties, damages, costs and expenses, including without limitation, reasonable attorneys' fees and costs (collectively "Claims") arising out of or in any way connected with the presence of Hazardous Materials, or the removal thereof, from the Leased Premises, Tenant's Building or the Shopping Center. The indemnity obligation set forth herein shall survive the expiration or earlier termination of this Lease.

25.05. Merger Clause/Complete Agreement. All understandings and agreements made between the parties hereto are merged in this Lease which, alone, fully and completely expresses the agreement between Landlord and Tenant, and any executory agreement hereafter made shall be ineffective to change, modify, discharge or effect

abandonment of it in whole or in part, unless such executory agreement is in writing and signed by both Landlord and Tenant.

ARTICLE 26. PREMISES INTEGRITY

26.01. Kiosks. Landlord shall not construct or place a kiosk or other improvement or obstruction, whether permanent or temporary, in any portion of the area created by extending Tenant's side lease lines for a distance of 75 feet.

26.02. Access and Visibility. Landlord shall make no changes to the Shopping Center, Tenant's Building or the Leased Premises which will change the layout of the Leased Premises, adversely affect access to the Leased Premises, the visibility of the Leased Premises, the frequency of pedestrian traffic passing in front of the Leased Premises or diminish the parking for the Shopping Center. Landlord shall not place trees and/or other shrubbery in front of Tenant's Leased Premises which shall impede pedestrian traffic or affect the access to, or visibility of the Leased Premises.

26.03. Parking. Landlord shall not materially diminish parking for the Shopping Center.

26.04. Landscaping. Landlord shall not place trees and/or other shrubbery in front of Tenant's Leased Premises which shall impede pedestrian traffic or affect the access to, or visibility of the Leased Premises.

26.05. Relocation. Landlord shall not relocate Tenant into another space in the Shopping Center or reduce the size of the Leased Premises or change the configuration of the Shopping Center such that the result is to materially change the proximity of Tenant to the Major Tenants currently depicted on the site plan attached hereto as Exhibit A.

26.06. Changes and Additions to Tenant's Building and the Shopping Center. Landlord shall install in the Leased Premises all utility lines and services for other store locations above the finished ceilings and along the perimeter walls of the stock room area. Any such installations shall not interfere with electrical, mechanical or sprinkler lines in the Leased Premises.

26.07. Floor Measurement. At any time, Tenant may measure the floor area of the Leased Premises to verify the square footage. If such measurement determines that the actual floor area is more or less than the area set forth hereinabove, the Fixed Minimum Rent, Percentage Rent Breakpoint and all other rent and/or charges payable on a "per square foot" basis shall be adjusted proportionately. In addition, the frontage representation contained in this Lease shall be deemed to be the lineal footage from center of demising wall to center of demising wall.

26.08. Security Gates. Tenant shall have the right, without Landlord's consent, to install original, additional or replacement security gates or any other security device or system at the Leased Premises.

26.09. Interference With Operation. If as a result of: (a) Landlord's making of any repairs to the Leased Premises; or (b) Landlord's performing of any repairs, additions, alterations, renovations, reconfigurations or improvements in or to the Shopping Center (including excavations); or (c) Landlord's failure to supply any Utility (if Landlord shall supply such Utility); or (d) Landlord's removal of Hazardous Materials (as hereinafter defined) from the Leased Premises; and there is a material interference with Tenant's ability to conduct its business in the Leased Premises ("Interference") then all payments of Fixed Minimum Rent and all additional rent shall be abated from the date of Interference until such Interference ceases.

26.10. Scaffolding. If Landlord desires to erect scaffolding at the Building or near the Leased Premises at the Shopping Center, same must be on written notice to Tenant and in compliance with requirements imposed by law. Landlord will use its best efforts to perform all such work so as not to diminish Tenant's floor area or disrupt Tenant's architectural layout. Tenant may install reasonable signs on all scaffolding provided same is in accordance with law. Landlord will use reasonable and diligent efforts so that the scaffolding shall not inhibit ingress to or egress from the Leased Premises.

ARTICLE 27. QUIET ENJOYMENT

Landlord represents and warrants to Tenant that Landlord has the right and lawful authority to enter into this Lease for the term hereof and agrees that Tenant, upon paying the Fixed Minimum Rent and additional rent herein reserved, and performing and observing the covenants, conditions, and agreements hereof upon the part of Tenant to be performed and observed, shall and may peaceably hold and enjoy the Leased Premises during the term hereof without any interruptions or disturbances.

ARTICLE 28. HOLDING OVER

If Tenant holds over after the expiration or earlier termination of this Lease, and if Tenant is not otherwise in default hereunder, such holding over shall not be deemed to extend the term or renew this Lease; but the tenancy thereafter shall continue as a tenancy from month-to-month at the sufferance of Landlord upon the terms and conditions herein contained and at the Fixed Minimum Rent in effect immediately preceding the expiration date.

ARTICLE 29. MARGINAL NOTATIONS

The captions in this Lease are inserted only as a matter of convenience and in no way define, amplify, limit or describe the scope or intent of this Lease, nor the terms, conditions and provisions hereof, nor affect the meaning of the text of any article, section or paragraph hereof in any way.

ARTICLE 30. RULES AND REGULATIONS OF OPERATION

Reasonable and non-discriminatory rules and regulations regarding the Leased Premises, Tenant's Building, and the Shopping Center including the walkways and parking areas and the use thereof, which may hereinafter be promulgated by Landlord, shall be observed by Tenant and Tenant's employees, agents, and business invitees. Landlord reserves the right to rescind any rule promulgated hereafter, and to make such other and further rules and regulations as in its reasonable judgment may from time to time be desirable for the safety, care and cleanliness of the Leased Premises, Tenant's Building and the Shopping Center and for the preservation of good order therein, which rules, when so made and reasonable notice given to Tenant, shall have the same force and effect as if originally made a part of this Lease. Such other and further reasonable and non-discriminatory rules shall not, however, be inconsistent with the proper and rightful enjoyment by Tenant of the Leased Premises in the conduct of its business.

ARTICLE 31. INVALIDITY OF CERTAIN PROVISIONS

If any provision of this Lease shall be invalid or unenforceable, the remainder of the provisions of this Lease shall not be affected thereby, and each and every provision of this Lease shall be enforced to the fullest extent permitted by law.

ARTICLE 32. CHOICE OF LAW AND FORUM

This Lease, and the rights and obligations of the parties hereto, shall be interpreted and construed in accordance with the laws of the State in which the Leased Premises are located. All legal proceedings brought by Tenant for the enforcement of this Lease or the interpretation or construction of the terms and provisions hereof shall be brought in a court of competent jurisdiction in the State in which the Leased Premises are located.

ARTICLE 33. ACCORD AND SATISFACTION

No payment by Tenant, nor any writing accompanying any payment, shall be deemed an accord and satisfaction, and Tenant may make any payment without prejudice to Tenant's right to recover an overpayment or to pursue any other remedy provided in this Lease or available by law.

ARTICLE 34. NOTICES

Any notices, consents, approvals, submissions or demands given under this Lease or pursuant to any law or governmental regulation by Landlord to Tenant or by Tenant to Landlord, shall be in writing. Unless otherwise required by law or by governmental regulations, any such notice, consent, approval, submission or demand shall be deemed given if and when sent by United States registered or certified mail, return receipt requested, postage prepaid, or by overnight delivery service (i.e. Federal Express) and sent:

- a. to Landlord, at the address contained on the first page of this Lease or such other address as Landlord may designate by notice to Tenant; or
- b. to Tenant shall be sent by Certified Mail, Return Receipt Requested to: 100 Metro Way, Secaucus, New Jersey 07094, Attention: Jeffrey Alan Klein, Esq.

All notices shall be deemed given upon receipt or attempted delivery.

ARTICLE 35. SUCCESSORS AND ASSIGNS

The covenants and agreements contained in this Lease shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors (by merger or otherwise) and permitted assigns.

ARTICLE 36. TRASH REMOVAL

Tenant shall be permitted to separately contract for and provide trash removal service for the Leased Premises with a contractor of its choice.

ARTICLE 37. BROKERAGE INDEMNITY

Each party hereby represents and warrants to the other party that no broker or real estate agent has had any part in bringing about this Lease. Each party hereby agrees to indemnify and save the other party harmless from and against any claims against the other party if the indemnifying party's representation is not true.

ARTICLE 38. LANDLORD'S CONSENT

Wherever in this Lease Landlord's consent, approval or permission is required, such consent, approval or permission shall not be unreasonably withheld or delayed. Whenever, pursuant to this Lease, Tenant is required to pay estimated amounts to Landlord, such estimates shall be reasonable.

ARTICLE 39. CONSTRUCTION ALLOWANCE

39.01. Construction Allowance. Landlord shall grant Tenant a rent credit in the amount of \$56,700.00 as an inducement for Tenant entering into this Lease. Notwithstanding anything contained herein to the contrary, Tenant shall have the right to offset its Minimum Rental obligation under the Lease until the \$56,700.00 rent credit is used by Tenant.

39.02. Escrow of Construction Allowance. Intentionally Omitted.

ARTICLE 40. EXCLUSIVE

Provided Tenant is not in default of any of the terms or conditions of this Lease beyond notice and the expiration of applicable grace and cure periods, Landlord covenants and agrees that, except for the Leased Premises and the Major Tenants, it shall not lease, rent, occupy or permit any premises in Tenant's Building or the Shopping Center to be occupied for the Primary Sale of large-sized women's apparel. For the purposes herein the "Primary Sale" shall be defined as ten percent (10%) or more of the sales area of the respective store. In the event Landlord violates this provision, or any other tenant in the Shopping Center (other than as specifically excluded hereunder) engages in the Primary Sale of large-sized women's apparel, the Fixed Minimum Rent, additional rent and any other extra charge required to be paid by Tenant under this Lease shall be reduced by fifty (50%) percent from such date of violation until such violation no longer exists. The violation by Landlord of this provision shall constitute an event of default.

ARTICLE 41. TENANT'S REMEDIES

If Landlord is in default hereunder, Tenant may offset the amount of Tenant's damages incurred as a result of such default against all Fixed Minimum Rent, Percentage Rent, and all additional rent and charges due under this Lease. In addition, if Landlord is in default hereunder and such default is not cured within ten (10) days after notice from Tenant, Tenant shall have the immediate right to terminate this Lease. Notwithstanding the foregoing to the contrary, Tenant's right to terminate this Lease shall not affect Tenant's rights to collect any and all damages (including attorneys fees) incurred as a result of such breach by Landlord. If a judgment in favor of Tenant is docketed against Landlord and continuing until such judgment is fully paid, Landlord's estate and property in and to the Shopping Center shall be deemed to include the amount of any and all rents received by Landlord related to that portion of the Shopping Center owned or ground leased by Landlord.

ARTICLE 42. RESERVATION OF CLAIMS

Tenant shall have the right to reserve all claims against Landlord, its successors and assigns arising prior to any transfer of Landlord's interest under this Lease.

ARTICLE 43. MODIFICATIONS TO LEASE

In no event shall Tenant be required to agree, and Landlord shall not have any right of cancellation for Tenant's refusal to agree to any modification of the provisions of this Lease relating to: (a) the amount of Fixed Minimum Rent, Percentage Rent, additional rent or other charges reserved herein; (b) the size and/or location of the Leased Premises; (c) the duration and/or Commencement Date of the Lease Term; or (d) reducing the amount of improvements to be made by Landlord to the Leased Premises prior to delivery of possession, or the amount of Construction Allowance due to Tenant.

ARTICLE 44. MISCELLANEOUS

44.01. Litigation. In the event of any suit or litigation between Landlord and Tenant arising from or in connection with this Lease, the losing party shall pay the reasonable fees and expenses of the successful party at all levels of trial, negotiation or appeal.

44.02. Limitation on Liability. Landlord agrees that it and its successors and assigns shall look solely to the assets, if any, of Tenant and its successors and assigns, for the satisfaction of any claim arising from or under this Lease and shall not seek to impose personal liability on any shareholder, officer, director or employee of Tenant or any affiliate, subsidiary or related company.

44.03. Landlord's Consent. Wherever in this Lease Landlord's consent, approval or permission is required, such consent, approval or permission shall not be unreasonably withheld or delayed. Whenever, pursuant to this Lease, Tenant is required to pay estimated amounts to Landlord, such estimates shall be reasonable.

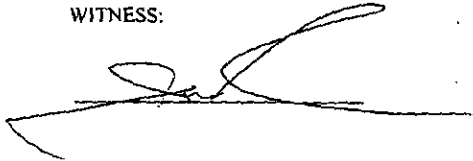
44.04. Waiver of Landlord's Security Interest. Landlord hereby waives any security interest it may have in any of Tenant's property located at the Leased Premises that is created either by (i) statute in the state in which the Leased Premises are located or (ii) pursuant to any other provision contained within this Lease.

44.05. Store Expansion. In the event Tenant or an affiliate of Tenant becomes the tenant and/or the occupant of either of the premises immediately adjoining the Leased Premises, Tenant shall have the right, subject to the remaining provisions of this Lease, to combine the ground floor and mezzanine of both premises to provide for one retail store. In the event Tenant undertakes such work, Tenant agrees that such work will be prepared and performed at Tenant's sole cost and expense, and in accordance with all governmental regulations, and upon termination of this Lease, Tenant shall restore the Leased Premises to the condition existing immediately prior to the performance of such construction work.

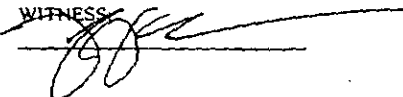
44.06. Grand Opening Promotion. Tenant shall have the right to have an employee of Tenant hand out leaflets in the Common Areas of the Shopping Center for a period of one (1) year after the opening of the Leased Premises for business with the public. Tenant shall also have the right to place three (3) signs (not larger than 3' x 4') on easels provided by Landlord located in the Common Areas of the Shopping Center for a period of six (6) months after the store opens for business with the public.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and year first above written.

WITNESS:



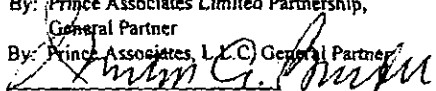
WITNESS:



KING ASSOCIATES LIMITED PARTNERSHIP

a Maryland Limited Partnership

By: Prince Associates Limited Partnership,
General Partner

By: Prince Associates, L.L.C. General Partner


Morton Bender, Member

LARGE APPAREL OF MARYLAND, INC.

By: 
Robert S. Bland, President

EXHIBIT A

SITE PLAN

EXHIBIT B

Legal Description

