

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE		PROOF OF CLAIM
Name of Debtor: Urban Brands, Inc.	Case Number: 10-13005-KJC	
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): MATANKY REALTY GROUP, INC.		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (if known) Filed on: _____
Name and address where notices should be sent: 25641042025666 MATANKY REALTY GROUP, INC. 200 NORTH LASALLE ST SUITE 2350 CHICAGO, IL 60601-1014		RECEIVED DEC 09 2010 BMC GROUP Telephone No. 312-337-1001
Name and address where payment should be sent (if different from above): BMC GROUP Telephone No. 312-337-1001		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$16,017.27 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. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or 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: Default of rental payments under Lease (See instruction #2 on reverse side.)		<input type="checkbox"/> 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: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		<input type="checkbox"/> Wages, salaries, or commission (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, which ever is earlier -- 11 U.S.C. § 507(a)(4).
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> 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: \$ _____		<input type="checkbox"/> Contributions to an employee benefit plan -- 11 U.S.C. § 507(a)(5). <input type="checkbox"/> 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). <input type="checkbox"/> Taxes or penalties owed to governmental units -- 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Section 503(b)(9) Claim -- check this box if your claim is for the value of goods received by the Debtor within 20 days before the commencement of the case -- 11 U.S.C. § 503(b)(9). <input type="checkbox"/> Other -- Specify applicable paragraph of 11 U.S.C. § 507(a)(____).
6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9): \$ _____ (See instruction #6 on reverse side.)		Amount entitled to priority: \$ _____ * Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.
7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 8. 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 DOCUMENT MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		
Date: 12/6/10	Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or 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. By: [Signature] Matanky Realty Group, Inc. [Signature] President	

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form**Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, District of Delaware), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim.

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §§ 507(a).

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9) State the value of any goods received by the debtor within 20 days before the date of commencement in which the goods have been sold to the debtor in the ordinary course of the debtor's business.**7. Credits:**

An authorized signature on this proof of claim serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

8. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(10).

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim form is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §§ 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION**Acknowledgement of Filing a Claim**

To receive acknowledgment of your filing, please enclose a stamped self-addressed envelope and a copy of this proof of claim. You may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <http://www.bmcgroup.com/UrbanBrands>

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(c), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

PLEASE SEND COMPLETED PROOFS OF CLAIM TO:

Via Regular U.S. Mail Via Overnight Courier

BMC Group, Inc.	BMC Group, Inc.
Attn: Urban Brands	Attn: Urban Brands
Claims Processing	Claims Processing
P.O. Box 3020	18750 Lake Drive East
Chanhassen, MN 55317	Chanhassen, MN 55317

THIRD AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE is made as of this February 2, 2010, by and between Large Apparel of Illinois, an Illinois corporation d/b/a Ashley Stuart Women Sizes, (ATenant@), and Matanky Realty Group Inc., an Illinois Corporation, (ALandlord@), in its capacity as agent for the owners of certain leased premises located at the shopping center commonly known as Chicago & Kedzie Plaza, 800 N. Kedzie, Chicago, Illinois, the APremises@.

Recitals:

- A. On December 3, 1999, Landlord entered into a lease with Tenant for the Premises, as amended on July 12, 2004 and April 13, 2009 (collectively the ALease@).
- B. The Lease as amended provided for two Five (5) year option periods. Tenant exercised the first on June 22, 2004 and would now like to exercise the remaining option.
- C. The Landlord and Tenant have agreed on the terms of the rental and desire to amend the Lease to reflect same.

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

Clauses:

- 1. Term. Section 2.1 is hereby amended to reflect that the term of this lease shall expire on January 31, 2015.
- 2. Minimum Rent. Section 4.2 is hereby amended to provide that the Minimum Rent shall be as follows:

February 1, 2010 - February 28, 2010 - \$0.00 per month
March 1, 2010 - January 31, 2011 - \$6,000.00 per month
February 1, 2011 - January 31, 2012 - \$6,183.00 per month
February 1, 2012 - January 31, 2013 - \$6,183.00 per month
February 1, 2013 - January 31, 2014 - \$6,554.00 per month
February 1, 2014 - January 31, 2015 - \$6,554.00 per month

- 3. Full Force. Except as expressly modified by the terms of this Amendment the Lease remains in full force and effect.

Matanky Realty Group Inc.
as aforesaid

By: 

Its: 

Consented to by:



Urban Brands, Inc. a Delaware Corp, guarantor

Laura Weil
Chief Executive Officer

Large Apparel of Illinois, as aforesaid

By: 

Its: 

Laura Weil
Chief Executive Officer

SECOND AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE is made as of this April 13, 2009 by and between Large Apparel of Illinois, an Illinois corporation d/b/a Ashley Stewart Women Sizes 14-28 (the "**Tenant**"), and Matanky Realty Group, Inc., an Illinois Corporation (the "**Landlord**"), in its capacity as agent for the owners of certain leased premises commonly known as Chicago & Kedzie Plaza, 800 N. Kedzie, Chicago, Illinois (the "**Premises**").

Recitals:


- A. On December 3, 1999, Landlord entered into a lease with Tenant for the Premises and on July 12, 2004, Landlord and Tenant entered into a First Amendment to Lease (hereinafter collectively referred to as the "**Lease**").
- B. The Minimum Rent due monthly under the terms of the Lease is currently Five Thousand Eight Hundred Thirty Three and No/100 Dollars (\$5,833.00).
- C. Tenant is delinquent in its Rent and has asked Landlord for assistance in clearing the balance and in a short term reduction of Minimum Rent.

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

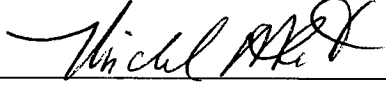
Clauses:

- 1. **Minimum Rent.** Section 4.2 is hereby amended to provide that, if Tenant is not in default under the terms of the Lease, beyond any applicable grace and notice period and if Landlord receives payment of Rent, as defined in the Lease, from Tenant on or before the last day of each successive month may take a monthly credit of One Thousand Seven Hundred and Fifty Dollars and no/100 (\$1,750.00) against its Minimum Rent (the "**Monthly Minimum Rent Credit**"). This Monthly Minimum Rent Credit shall be available for the months of May 1, 2009 through and including January 31, 2010. This credit shall reduce Tenant's monthly Minimum Rent Payment for that period to Four Thousand Eighty Three and No/100 (\$4,083.00) Dollars per month.
- 2. **Outstanding Balance.** Tenant will remit the sum of Twenty Eight Thousand Five Hundred Thirty Five and no/100 Dollars (\$28,535.00) to Landlord on, or before May 6, 2009. In exchange for this payment, Tenant will receive a credit of Twelve Thousand Two Hundred Twenty Eight and 99/100 (\$12,228.99) to clear its arrearage to zero.
Included in this \$28,535.00 are charges in the amount of \$577.73 for year end reconciliation and miscellaneous charges, and such charges are subject to Tenant's review. In the event Tenant's review of these charges, upon receipt of the appropriate back-up, reveals that any portion was improperly applied to Tenant, Tenant will make the appropriate adjustment to its payments.
- 3. **Sale or Assignment.** Any remaining Monthly Minimum Rent Credits shall cease ninety (90) days after any sale or transfer of ownership in Tenant.
- 5. **Full Force.** Except as expressly modified by the terms of this Amendment, the Lease remains in full force and effect.

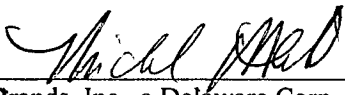
Matanky Realty Group, Inc.,
as aforesaid

By: 
Its: President

Large Apparel of Illinois, Inc.
as aforesaid

By: 
Its: Vice President/Treasurer

Consented to by:


Urban Brands, Inc., a Delaware Corp., Guarantor

FIRST AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE is made as of this July 12, 2004, by and between Large Apparel of Illinois, an Illinois corporation d/b/a Ashley Stewart Women Sizes, as "**Tenant**", and Matanky Realty Group Management Corp., an Illinois Corporation, as "**Landlord**", in its capacity as agent for the owners of certain leased premises commonly known as Chicago & Kedzie Plaza, 800 N. Kedzie, Chicago, Illinois, the "**Premises**".

Recitals:

- A. On December 2, 1999, Landlord entered into a lease with Tenant for the Premises (the "**Lease**").
- B. The Lease provided for one option to renew for an additional Five (5) years. Tenant has exercised this renewal option and has asked for a second one. Tenant has also asked for an improvement allowance.
- C. The Landlord and Tenant have agreed on the terms of the rental and allowance and desire to amend the Lease to reflect same.

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

Clauses:

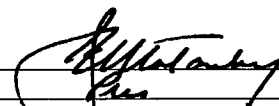
- 1. Term. Section 2.1 is hereby amended to reflect that the term of this lease shall expire on January 31, 2010.
- 2. Option to Renew. Section 2.4 is hereby amended to add one additional five (5) year option provision.
- 3. Minimum Rent. Section 4.2 is hereby amended to provide that the minimum rent during the second option renewal period shall be as follows:

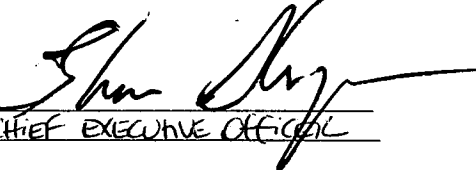
Lease Years 11-13 - \$6,183 per month
Lease Years 14-15 - \$6,554 per month

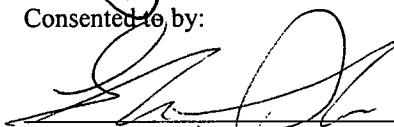
- 4. Tenant Improvement Allowance. To keep up with the quality and nature of the Shopping Center, Tenant will renovate the Premises within the next year. Tenant will submit evidence of the amount spent on such renovation and will provide Landlord with evidence of payment. Within thirty (30) days of request for reimbursement and proof of payment, Landlord will reimburse tenant for improvement made to the Premises in an amount not to exceed \$10,334.
- 5. Full Force. Except as expressly modified by the terms of this Amendment the Lease remains in full force and effect.

Matanky Realty Group Management
Corp. as aforesaid

Large Apparel of Illinois, as aforesaid

By: 
Its: _____

By: 
Its: CHIEF EXECUTIVE OFFICER

Consented to by:

Urban Brands, Inc. a Delaware Corp, guarantor

URBAN BRANDS™

INVESTING IN URBAN AMERICA

June 22, 2004

VIA FAX, CERTIFIED MAIL & UPS

Matanky Realty Group Management Corp.
1332 N. Halsted Street
Suite 300
Chicago, IL 60622


Re: Ashley Stewart - #A255
Chicago Kedzie Plaza
Chicago, IL

Dear Landlord:

Please be advised that the Tenant under the lease for the above referenced store does hereby exercise its option to extend the term of the lease as set forth in Page 1 of the Lease dated December 3, 1999. Accordingly, the term of the lease shall now expire January 31, 2010.

We would like to request a tenant improvement allowance equal to two months rent in order to do some touch up work to the inside of our space. In addition to the two months rent we are requesting an additional five (5) year option at a rate of \$16.25. Please respond to this request at your earliest convenience by calling Brenda K. Buchanan at (864) 918-6629, e-mailing her @ bbuchanan@urbanbrands.com or writing your response on the enclosed letter and faxing it to (201) 319-1173 attn: Brenda K. Buchanan, Real Estate Administrator.

Sincerely,



Ethan Shapiro
Chief Executive Officer

1/opt/A255

CHICAGO KEDZIE SHOPPING PLAZA LEASE

THIS LEASE is entered into this day of December 3, 1999 by and between MATANKY REALTY GROUP MANAGEMENT CORP., not for its own account but solely as agent for the beneficiary of the legal titleholder of Chicago Kedzie Plaza (the "Landlord") and Large Apparel of Illinois an Illinois Corporation doing business as Ashley Stewart Woman Sizes 14-28 (the "Tenant"), subject to the terms, covenants and agreements set forth below.

ARTICLE I

PREMISES

Landlord leases to Tenant and Tenant rents from Landlord those certain Premises comprising approximately 4,000 rentable square feet situated in Chicago, Illinois (the "Premises") as identified on Exhibit A attached and incorporated. The Premises and other property owned by Landlord, comprise a shopping center development (the "Shopping Center"). Tenant acknowledges that Landlord may change the shape, size, location, number and extent of the improvements or tenancies now existing and eliminate or add any improvement to any portion of the Shopping Center, provided Landlord shall not ~~materially~~ change the size or location of the Premises without Tenant's consent.

ARTICLE II

TERM

2.1 Term. The term of this Lease shall commence on February 1, 2000 and shall conclude on January 31, 2005, unless sooner terminated as herein set forth, subject to Force Majeure, as defined herein. In the event Landlord fails to deliver possession of the Premises to Tenant on February 1, 2000, the commencement date shall be postponed by the number of days during which such Force Majeure event prevails.

2.2 Obligations of Tenant Prior to Commencement of Term. Tenant shall observe and perform all of its obligations under this Lease (except its obligation to operate and to pay Rent) from the date upon which the Premises are delivered to Tenant for its work until the commencement date of the lease term in the same manner as though the lease term began when the Premises were delivered to Tenant. Landlord shall have no liability whatsoever for loss or damage to Tenant's Work or to fixtures, equipment or other property of Tenant or Tenant's contractors. Prior to the commencement date, Tenant shall furnish detailed evidence satisfactory to Landlord as to the cost of the Tenant's work, that Tenant's Work has been completed and paid for in full, and that any and all liens therefore that have been, or may be filed, have been released or satisfied of record. In the event Tenant fails to open for business upon the commencement of the term of this Lease, Landlord, in addition to any all other available remedies, may require Tenant to pay to Landlord, in addition to all other rent and charges herein, as liquidated damage and not a penalty, an amount equal to one-hundred-eightieth (1/180) of the annual Minimum Rent (hereinafter defined) for each day such failure to open continues.

2.3 Lease Year. The term "Lease Year", as herein referred to, means a period of twelve (12) consecutive calendar months. The first Lease Year shall begin on the commencement date of the term hereof if the commencement date shall occur on the first day of the calendar month, or on the first day of the month next following the commencement date of the term hereof if the commencement date does not fall on the first date of the month. Each succeeding Lease Year shall commence upon the anniversary date of the first Lease Year. The phrase "Lease Term" or "Term of this or the Lease" as used herein shall include all full Lease Years and any partial month at the commencement or end of the term.

2.4 Option to Renew. Provided Tenant is not then in default under the terms of this Lease, Tenant shall have one option to renew this lease for an additional five (5) years under the same terms and conditions as set forth in this Lease and with rental as set forth below. The option shall be exercised by Tenant in writing to Landlord not less than six (6) months prior to the expiration date of this lease.

2.5 Option to Terminate. Provided Tenant is not then in default under the terms of this Lease beyond any applicable cure and grace period, and provided the total occupancy of the Shopping Center falls below fifty-five (55%) percent, Tenant shall have the right to immediately commence the payment of ten (10%) of gross sales for a period of six (6) consecutive months ("Reduced Rent Period") in lieu of paying Minimum Rent. Such reduced rental payment shall not exceed the then current Minimum Rent due to Landlord prior to the Shopping Center falling below fifty-five (55%) percent of occupancy. Provided the foregoing conditions have been satisfied and the Reduced Rent Period has commenced, Tenant shall have the option, at the end of the sixth (6th) month of the Reduced Rent Period of either terminating the Lease on sixty (60) days prior written notice to Landlord or resuming the payment of full Minimum Rent and charges. If the Shopping Center's occupancy exceeds fifty-five (55%) percent at the end of the six (6) month Reduced Rent Period, then Tenant's right to terminate shall be null and void and this Lease shall continue as if no notice to terminate had been given.

2.6 Opening Date. Tenant shall not be required to open prior to the date on which at lease tenants occupying fifty five (55%) of the gross lease able area of the Shopping Center are open for business to the public. In the event such minimum occupancy is not in place upon the commencement of this lease, the rent as defined above shall be abated and the term hereof shall be delayed until the co-tenancy has been satisfied. There shall be no abatement of rent if tenant elects to open for business regardless of the occupancy.

Article III

SECURITY DEPOSIT

INTENTIONALLY DELETED

ARTICLE IV

RENT

4.1 Rent. As defined below, Minimum Rent, Additional Rent, Percentage Rent Additional Rent and any other charges or obligations due from Tenant to Landlord under the terms of this Lease, shall all be defined as the rent due under this Lease ("Rent"). Rent for any period which is less than one (1) month shall be prorated for that month. All rent payable hereunder shall be payable in care of Matanky Realty Group, 1332 N. Halsted, Suite 300, Chicago, Illinois 60622 or at such other place as Landlord may from time to time designate. All payments due from Tenant to Landlord pursuant to this Lease, whether or not denominated Rent shall be deemed Rent and any installment of Rent accruing under the provisions of this Lease which shall not be paid when due shall bear interest at the Lease Interest Rate, as defined below, from the date when the same is due hereunder until the same shall be paid.

4.2 Minimum Rent. Tenant agrees to pay to Landlord, without offset or deduction, and without notice or demand, Minimum Rent payable monthly in advance in installments as follows:

Lease Year 1 - 3 \$4,500.00 per month
Lease Year 4 - 5 \$5,167.00 per month

Option Period

Lease Year 6 - 7 \$5,500.00 per month
Lease Year 8 - 10 \$5,833.00 per month

commencing upon the commencement of the Term, and continuing on the first day of each month thereafter for the balance of the term of this Lease ("Minimum Rent").

4.3 Percentage Rent. Tenant shall also pay to Landlord additional rent in an amount equal to Three (3%) percent of the amount of Tenant's gross sales made over Eight Hundred Thousand (\$800,000.00), upon or from the Premises during each calendar year of the Lease term, less the aggregate amount of the Minimum Rent previously paid by Tenant for said calendar year (the "Percentage Rent").

A. Payment.

Within thirty (30) days after the end of each calendar year of the term hereof, Tenant shall furnish to Landlord a written statement, certified to be correct, showing the total gross sales by quarters made in, upon, or from the Premises during the preceding calendar year. At such time Tenant shall also pay a sum equal to the above stated percentage of the total gross sales made in, upon or from the Premises during each such year of the term hereof, less the Minimum Rent for such year, if previously paid.

B. Gross Sales.

"Gross Sales" shall include revenues of every kind and nature from sales and services made in, upon, or from the Premises, whether upon credit or for cash, whether operated by Tenant or by subtenants, concessionaires or licensees of Tenant, excepting any rebates and/or refunds to customers and the amount of all sales tax receipts for which Tenant must account to any governmental agency. Sales upon credit shall be deemed cash sales and shall be included in the Gross Sales for the period during which the merchandise is delivered to the customer, whether or not title to the merchandise passes with delivery. All sales originating at the Premises shall be considered as made and completed there, though bookkeeping and payment of the account may be transferred to another place for collection and though actual filing of the sale or service order and actual delivery of the merchandise may be made from a place other than the Premises. Gross Sales shall not include: (i) bonafide, close-out or bulk sales of inventory to jobbers or wholesaler; (ii) sales to employees of Tenant or its parent company or affiliates at a discount (these sales shall be no more than 20% of the whole) (iii) shipping charges separately stated; (iv) proceeds of the sale of substantially all of the assets of Tenant; (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 from vending machines installed for the convenience of employees of Tenant; (viii) lay away sales, except to the extent of amount actually received by Tenant; (ix) charges for alterations to apparel sold at the Premises; (x) the amount of all discounts, returns, refunds, credits, allowances and adjustments made to Tenant's customers; (xi) financing and credit card charges payable by Tenant to credit card companies; (xiii) the amount of all retail sales taxes, (xiv) the amount of returns to shippers or manufacturers for credit; (xv) sums and credit received from shippers or manufacturers in settlement of claims for loss or damaged merchandise and (xvi) the exchange or transfer of inventory between the 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.

C. Bookkeeping and Inspection.

Tenant shall keep full, complete and proper books, records, and accounts of its daily sales, both for cash and on credit, whether by Tenant or by subtenants, concessionaires or licensees of Tenant, made in, upon or from the Premises. Such books, records and accounts shall be kept at the Premises or shall be made available to the Landlord upon reasonable notice. Landlord and its agents and employees shall have the right at any and all times, during regular business hours, to examine, inspect and copy all such books, records and accounts, including any sales or use tax reports or returns pertaining to the business of Tenant conducted in, upon or from the Premises for the purposes of investigating and verifying the accuracy of any statement of Gross Sales. Landlord may once in any calendar year cause an audit of the business of tenant to be made by an accountant of Landlord's selection, and if the statement of Gross Sales previously

made to Landlord shall be found to be inaccurate, then there shall be an adjustment and one party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of the Percentage Rent that should have been paid for the period or periods covered by such inaccurate statement or statements. Tenant shall keep all said records for three (3) years. If said audit shall disclose any inaccuracy in favor of Landlord of greater than a two (2%) percent error with respect to the amount of Gross Sales reported by Tenant for the period of said report, then Tenant shall immediately pay the Landlord the cost of such audit; otherwise, the cost of such audit shall be paid by Landlord. If such audit shall disclose any intentional or substantial inaccuracies, this Lease may thereupon be canceled and terminated at the option of Landlord.

- D. Operating Radius. Tenant agrees that it will not, nor will its officers, directors, shareholders or partners directly or indirectly operate or own an Ashley Stewart or any similar type of women's large size apparel primary use business within a radius of two (2) miles from the location of the Premises. The foregoing does not preclude Tenant from operating existing stores within said radius or stores operating under a different trade name than Tenant or from purchasing a store within that radius if it is part of a purchase of 3 or more stores that operate and will continue to operate under a different trade name than Tenant. Without limiting Landlord's remedies, if the Tenant should violate this covenant, Landlord may at its option include the gross sales of such other business as a part of the gross sales transacted from the Premises for the purpose of computing the percentage rent due hereunder.

- 4.5 Free Rent. The rental obligations of the Lease shall commence on the earlier of five (5) months from the date of Delivery of the Premises to Tenant or the date on which Tenant opens for business (the "Opening Date").

ARTICLE V ADDITIONAL RENT

Section 5.1. Tax and Other Charges. In addition to the rental otherwise provided in this Lease, and as of the date on which possession of the Premises was delivered to Tenant, Tenant shall pay to Landlord the following items as additional rent, (the "Additional Rent"):

- A. Taxes. All taxes and assessments, general and special, and all other impositions, ordinary and extraordinary, of every kind and nature whatsoever which may be levied, assessed or imposed upon the Shopping Center or any part thereof or upon any building or improvements at any time situated thereof which accrues or becomes due and payable during the term of this Lease. The general taxes levied against the Shopping Center shall be prorated between Landlord and Tenant for the first year of the term hereof as of the date of commencement hereof. Taxes shall be reasonably apportioned in accordance with the total floor area of the Premises as it relates to the total floor area of all stores or store spaces in the Shopping Center (provided that if any tenants in the Shopping Center pay taxes directly to any taxing authority as may be provided in their leases, their square footage shall not be deemed a part of the total floor area of the Shopping Center.) In determining the total floor area of all stores or store spaces in the Shopping Center, only ground floor area shall be considered and no mezzanine area to be used for storage or other non-sales functions shall be considered in computing the total floor area. Tenant shall also pay Tenant's pro-rata share of all expenses, including the costs of appraisals, witness fees and attorney's fee incurred by Landlord at any time, and from time to time, in obtaining a reduction of real estate taxes assessed against the Shopping Center. It is understood and acknowledged that part of the improvements serving the Shopping Center were financed by bonds to be repaid by the incremental real estate taxes payable as a result of development of the Shopping Center and that Landlord has agreed not to seek reduction of the real estate taxes below the amount necessary to repay the principal and interest of such bonds when payments are due.

If at any time during the Term, the method of taxation prevailing at the commencement of the term shall be changed so that, in lieu of, in addition to, or as a substitute for the whole or any part of the taxes now levied, assessed or imposed on real estate as such, there shall be levied, assessed or imposed (i) a tax on the rents received from such real estate, (ii) a license fee measured by the rents receivable by Landlord from the Shopping Center or any portion thereof, (iii) a tax or license fee imposed upon Landlord which is otherwise measured by or based in whole or in part upon the Shopping Center or any portion thereof, or any combination of the above, then the same shall be included in the computation of Taxes hereunder.

- B. Common Area Maintenance. That percentage of the total cost of the following items as Tenant's total rentable floor area bears to the total rentable floor area of the Shopping Center which is from time to time completed as of the first day of each calendar quarter; provided, however, in determining the total rentable floor area of the Shopping Center which is from time to time completed as of the first day of each calendar quarter, the floor area of any public service building or on-site management office or other facility shall not be considered. The term "Common Area" means the entire areas designed from time to time by Landlord for common use or benefit for the occupants of the Shopping center including, but not by way of limitation, parking lots, landscaped and vacant areas, passages for trucks and automobiles, areaways, roads, walks, roof, drainage systems and sewers, curbs, corridors, courts and arcades, signs, lighting, together with facilities such as washrooms, security office and observatory, drinking fountains, toilets, stairs, ramps, shelters, loading docks, with facilities appurtenant to each, and common utility facilities, whether within or outside of the Shopping Center.

- (a) Insurance. Any insurance premiums for fire, extended coverage, public liability and any other insurance that Landlord deems necessary with regard to owning and operating the Shopping Center. Such costs and expense may also include, but not be limited to, workers' compensation insurance covering personnel, fidelity bonds for personnel, insurance against liability for defamation and claims of false arrest occurring in and about the Shopping Center and plate glass insurance.
- (b) Maintenance. Any costs to maintain, repair, and replace the Common Area, and all sums incurred in connection with operating, repairing, lighting, cleaning, painting, removing snow, ice, debris, and surface water, sewer, striping, inspecting,

traffic consultants and traffic regulation, directional signs, equipment depreciation, regulation of traffic, fees for permits and licenses, program services, management services and loudspeaker systems, all costs and expenses of plantings, rebuilding and replacing flowers, shrubbery, and planters, and all costs and expenses (other than initial construction cost of building the Shopping Center) of curbs, sidewalks, walkways, roadways, parking surfaces, landscaping, drainage, utilities, motor vehicles, machines and equipment, and lighting facilities, and the annual amortization of any capital improvement Landlord makes during the Term of this Lease in order to comply with safety or any other requirements of any federal, state, or local law or governmental regulation. Such costs and expenses shall not include any initial construction costs of building the Shopping Center, except as otherwise stated above, nor profit nor interest on Landlord's investment, but shall include the acquisition cost (rental fees and/or purchase price or, in lieu of purchase price, the annual depreciation allocable thereto) of machinery and equipment used in connection with said maintenance and operation.

- (c) Security. Any costs to supervise, administer and maintain security over the areas used in common by the tenants or occupants of the Shopping Center. Said security costs shall include such fees, including management fees, as may be paid to a third party, security police including cost of uniforms, equipment, and all employment taxes and the costs of operating and maintaining vehicles, electronic intrusion and fire control devices and telephone alert system devices,
- (d) Fees. Any parking charges, utilities, surcharges, or any other costs or expenses levied, assessed or imposed by or at the direction of or resulting from statutes or regulations or interpretations thereof, promulgated by any governmental authority in connection with the use or occupancy of the Premises or the parking facilities serving the Premises.
- (e) Exclusions. The following shall be excluded from CAM: (i) costs for any items which would under generally accepted accounting principles be capitalized, depreciated, or amortized; (ii) brokerage fees and commissions incurred in connection with the sale or leasing of space in the Shopping Center; (iii) such portion of any expense for which Landlord is entitled to reimbursement by insurance proceeds, condemnation awards, other tenants, or any other source; (iv) costs or performing additions, alterations, improvements or individual services for other tenants or vacant space; (v) any payment in connection with debt or ground lease encumbering the Shopping Center; (vi) any amounts not actually expended, such as contingency funds, reserve funds or sinking funds; (vii) costs and expenses of enforcing lease provisions against other tenants; (viii) expenses resulting from a violation of Landlord of the terms of any lease of space in Shopping Center or any ground lease or mortgage to which this Lease is subordinate; (ix) all costs associated with the removal and clean up of hazardous wastes and toxic substances; and (x) construction of barricades for vacant stores.

Added to each of the above such costs shall be a charge equal to ten percent (10%) thereof for administration.

Section 5.2. Payments. Upon commencement of rental, the anticipated monthly escrow deposit for Additional Rent, as set forth above shall be Eighteen Hundred Thirty Three Dollars and NO/100 (\$1,833.00) per month for the period between such commencement and the following December 31st, and Tenant shall pay such Adjustments on a monthly basis concurrently with the payment of rental. Tenant shall continue to make said monthly payments until notified by Landlord of a change thereof. Landlord shall endeavor yearly to give tenant a statement showing the total common area expense for the Shopping Center for the prior calendar year and Tenant's allocable share thereof, prorated, during the first year of the term, from the commencement of rental.

If the total of the monthly deposits toward Tenant's actual Additional Rent for the prior calendar year is less than Tenant's actual share of such Additional Rent, then Tenant shall pay the difference in one lump sum within ten (10) days after receipt of such statement from Landlord. Concurrently, Tenant shall pay the difference in monthly payments made in the then calendar year and the amount of monthly payments which are then calculated as monthly Additional Rent based on the prior year's experience. Any overpayment made by Tenant shall be credited towards the monthly Additional Rent next coming due. In any year in which resurfacing of the parking area or driveways or roof repair or replacement is contemplated, Landlord shall be permitted to include the anticipated cost of same as part of the estimated monthly Additional Rent.

Though the term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's share of said Additional Rent for the year in which this Lease terminates, Tenant shall immediately pay any increase due over the estimated previously paid and, conversely, any overpayment made shall be immediately rebated by Landlord to Tenant. Failure of Landlord to submit statements as called for herein shall not be deemed to be a waiver of Tenant's requirement to pay sums as provided.

5.3 Audit. Tenant or its agent shall have the right, but not more than once per year on reasonable prior notice to Landlord, to inspect, and make copies of records with respect to Additional Rent and Landlord shall retain its record for at least three years following the period to which they relate. Tenant shall deliver to Landlord a copy of the results of such audit within fifteen (15) days of its receipt by Tenant. No such audit shall be conducted if any other tenant has conducted an audit for the time period Tenant intends to audit and Landlord furnishes to Tenant a copy of the results of such audit. No audit shall be conducted at any time that Tenant is in default of any of the terms of the Lease. No subtenant shall have any right to conduct an audit and no assignee shall conduct an audit for any period during which such assignee was not in possession of the Premises.

If it is reasonably determined that Tenant has made an overpayment, Landlord shall within twenty (20) days after demand, refund the amount of overpayment to Tenant.

5.4 Cap on Increases. Landlord represents that Tenant's Additional Rent for the first Lease Year shall be \$5.50 per square foot. Any increase in Additional Rent payable by Tenant shall be at a rate equal to the lesser of (i) the actual increase or (ii) five (5%) of the previous year's common area expenses for the initial term and any extensions thereof. This cap on expenses shall not apply to increases in real estate taxes, insurance, snow removal or security for the Shopping Center.

ARTICLE VI

Construction of Improvements

6.1 Construction of Improvements. Landlord agrees that it will, at its sole cost and expense and as soon as it is reasonably possible, commence and pursue to complete the improvements included on Exhibit B (the "Landlord's Work"). The term "Substantial Completion of Landlord's Work" shall mean the date on which Landlord notifies Tenant in writing that the Premises are substantially complete to the extent of the Landlord's Work with the exception of the work that is delayed or which Landlord cannot complete until Tenant performs necessary portions of its work or notifies Landlord of the selection of certain of its choices, if applicable.

6.2 Force Majeure. If construction of Landlord's or Tenant's Work is delayed because of delays in securing a building or other permit, failure of Tenant or Landlord to approve final plans and specifications or changes in construction requested by Tenant or Landlord, strikes, lockouts, acts of God or the public enemy, governmental restrictions, unavailability of materials, acts or omissions of any labor or material contractor or other matters beyond the reasonable control of Landlord or Tenant, then the time of Substantial Completion of Landlord's and Tenant's Work shall be extended for the additional time caused by such delay without liability on the part of the Landlord or Tenant.

6.3 Tenant Work. To enable Tenant to adapt the Premises to its use, Tenant may, with the permission of Landlord's contractor and Landlord and at Tenant's sole risk, enter into the Premises prior to Substantial Completion of Landlord's Work and make such installations as it deems desirable for the operation of its business; provided, however, that such entry and installation shall be done in such a manner and by such personnel as not to interfere with the construction of improvements thereon by Landlord or Landlord's contractor or render the insurance thereon void; and provided, further, no such work shall be undertaken until after receipt of Landlord's approval of Tenant's plans and specifications and receipt by Tenant of any required building or other permit for such work. In any event, Tenant shall commence to install its fixtures and equipment and any of Tenant's Work as set forth on Exhibit B ("Tenant's Work") promptly upon Substantial completion of Landlord's Work in the Premises, shall diligently prosecute such installation to completion and shall open the Premises for business no later than the expiration of five (5) months after Substantial Completion of Landlord's Work. All fixtures installed by Tenant shall be new. At least every five (5) years, upon the request of Landlord, Tenant shall replace worn surfaces on all or any portion of the interior of the Premises so that the furnishings, furniture, flooring, wall fixture and coverings, equipment and other appurtenances in the Premises shall be in first class condition.

ARTICLE VII

Personal Property Taxes

Tenant shall pay before delinquency all taxes, personal property taxes, assessments, license fees and public charges levied, assessed or imposed upon or measured by the value of its business operations or its furniture, fixtures, leasehold improvements, equipment and other property at any time situated on or installed in the Premises by Tenant. If at any time during the term of this Lease any of the foregoing are assessed as a part of the real property of which the Premises are a part, Tenant shall pay to Landlord upon demand the amount of such additional taxes as may be levied against said real property by reason thereof as reasonably apportioned by Landlord.

ARTICLE VIII

Use

Section 8.1. Use. Tenant shall use the Premises for the display and retail sale of female apparel, furnishings, shoes and accessories. Shoes and accessories shall in the aggregate not exceed fifteen (15%) of the store area. Tenant may perform alteration on apparel sold at the Premises. Tenant shall operate under the trade name, if any, specified above and shall not use the Premises for any other purpose or under any other trade name without the prior written consent of Landlord. Tenant may change its operating name to Marianne/Marianne Plus. Tenant may also change its operating name to any other name provided an identical change is made in a majority of its other stores. ~~Tenant shall not use the Premises for any purpose which would or could violate an exclusive use granted to any other tenant in the Shopping Center prior to the date of this Lease.~~

Section 8.2. Suitability. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Premises or the suitability of the Premises or the Shopping Center for the conduct of Tenant's business, nor has Landlord agreed to undertake any modification, alteration or improvement to the Premises except as provided in this Lease. Tenant's possession shall conclusively establish that the Premises were in a satisfactory condition at the time of taking possession.

Section 8.3. Uses Prohibited.

A. Tenant agrees that it will not use or permit any person to use the Premises for a second-hand store, auction, distress or fire sale or bankruptcy or going-out-of-business sale (whether or not pursuant to any insolvency proceedings), or for any use or purpose in violation of any governmental law or authority. Tenant shall at its sole cost and expense promptly comply with all laws, statutes, ordinances and governmental rules, regulations and requirements now in force or which may hereafter be in force. Tenant will also comply with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating or affecting the condition, use or occupancy of the Premises, excluding structural changes not relating to or affecting the condition, use or occupancy of the Premises, or not related to or affected by Tenant's improvements or acts.

The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a

party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Landlord and Tenant.

- B. Tenant may not display or sell merchandise or allow carts, portable signs, devices or any other objects to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises. Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Premises any advertising medium which may be heard or seen outside the Premises, such as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts.
- C. Tenant shall not do, or permit to be done, anything in or about the Premises which will in any way increase the existing rate or affect any fire or other insurance upon the Premises or any building of which the Premises may be a part or any of its contents (unless Tenant shall pay any increased insurance premium as a result of such use or acts), or cause a cancellation of any insurance policy covering the Premises or any building of which the Premises may be a part or any of its contents, nor shall Tenant sell or permit to be kept, used or sold in or about the Premises any articles which may be prohibited by a standard form policy of fire insurance.
- D. Tenant shall not do, or permit to be done, anything in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the building of which the Premises may be a part or any other building in the Shopping Center, or injure or annoy them, or use or allow the Premises to be used for any unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises. Tenant shall keep the Premises in a clean and wholesome condition, free of any objectionable noises, odors or nuisances.

Section 8.4. Covenants to Operate. Tenant agrees that, continuously and uninterruptedly during the term of this Lease, it will operate and conduct Tenant's business in the Premises and be open for business and continuously remain open for business at least those days and hours which are customary for businesses of like character in the area in which the Premises are situated, but in no event for fewer than 50 hours per week, and from 10:00 a.m. to 7:00 p.m., except while the Premises are untenable by reason of fire or other casualty or if Tenant's business is temporarily interrupted by strikes, lockouts or similar causes beyond the reasonable control of Tenant. The foregoing hours of operation may be modified, from time to time, to correspond to those maintained by the grocery stores. Tenant agrees that it will at all times keep and maintain within and upon the Premises an adequate stock of merchandise and trade fixtures to service and supply the usual and ordinary demands and requirements of its customers and that it will keep the Premises in a neat, clean and orderly condition. Tenant agrees that all trash and rubbish of Tenant shall be deposited within receptacles and that there shall be no trash receptacles permitted to remain outside of the building. Tenant further agrees to cause such receptacles to be emptied and trash removed at its own cost and expense. 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 three (3) days in the aggregate in any Lease Year unless Landlord has consented thereto.

ARTICLE IX

Utilities

Tenant agrees to pay for all water, gas, power and electric current and all other utilities supplied to the Premises. Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to abate rent or terminate this Lease. If any utility serving the Premises as well as other parts of the Shopping Center shall be commonly metered, such utility costs shall be considered and billed to Tenant, and payable by Tenant as expenses of operating the Common Areas of the Shopping Center unless Landlord is able to allocate the expense based on a more accurate calculation of use. If Landlord shall so determine, then Tenant shall be responsible for the cost of installing, maintaining and operating an accurate sub-metering device to measure Tenant's usage and Tenant shall pay its share of the cost of such utility as determined by Landlord through use of such sub-metering device.

ARTICLE X

Maintenance and Repairs; Alterations and Additions

Section 10.1. Maintenance and Repairs

- A. **Repairs by Landlord.** Landlord shall repair and maintain the structural portion of the Premises, including exterior walls and roof but excluding windows, plate glass and doors, and all expenditures for such repair and maintenance shall be part of the costs and expenses of operating and maintaining the common areas of the Shopping Center; provided, however, if such maintenance or repair is caused in whole or in part by the neglect, fault or omission of Tenant, its agents, employees or invitees, or by unauthorized breaking and entering, Tenant shall pay to Landlord the cost of such maintenance and repair. Landlord shall have no obligation to repair until a reasonable time after the receipt by Landlord of written notice of the need for repairs. In the event Landlord fails to make required repairs after receipt of Tenant's notice, Tenant shall have the right to self-help and make any required repair to the Premises.
- Unless otherwise specifically provided in this Lease, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Premises, the building or the Shopping Center. Tenant waives the provisions of any law permitting Tenant to make repairs at Landlord's expense.



except that Tenant shall not have the right to off-set any rental charges.

If as a result of Landlord's making of any repairs to the Premises or the Shopping Center, or Landlord's removing Hazardous Materials from the Premises there is a material interference with Tenant's ability to conduct its business and a material loss of business from the Premises, all payments of Rent shall be proportionately abated from the date of the interference until such interference ceases.

B. Repairs by Tenant.

Tenant shall maintain in good order, condition and repair the interior of the Premises and any systems and equipment unique to the Premises, including all heating and electrical equipment, and any air conditioning equipment. Tenant shall secure and pay for a service contract for repairs and maintenance of its heating and air conditioning system from a company acceptable to Landlord. Tenant shall pay a proportionate share of the cost of maintaining any systems and equipment used by Tenant as well as other tenants of the Shopping Center. Tenant shall also maintain and repair any plumbing and sprinkler systems installed in the Premises and the improvements and equipment installed by Tenant in the Premises. Tenant shall replace all broken glass, including plate glass and exterior show windows, and repair any broken doors.

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C. Tenant's Failure to Maintain.

If Tenant fails to maintain the Premises in good order, condition and repair, Landlord may give Tenant notice to do such acts as are reasonably required so as to maintain the Premises. If Tenant fails promptly to commence such work or diligently prosecute the same to completion Landlord may, but is not obligated to, do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work. Any amount so expended by Landlord shall be paid by Tenant promptly after demand with interest at the Lease Interest Rate from the date of such work.

D. Condition Upon Expiration of Term.

Upon the termination of this Lease, Tenant shall surrender the Premises in good condition, vacant and broom clean, ordinary wear and tear excepted. Tenant shall indemnify Landlord against any loss or liability resulting from delay by Tenant in so surrendering the Premises, including without limitation, any claims made by succeeding tenant founded on such delay.

Section 10.2. Alterations and Additions

A. Landlord's Consent Required.

Tenant shall not make any alterations or additions to the Premises without Landlord's prior written consent. All alterations, additions, and improvements made by Tenant to or upon the Premises, except counters or other removable trade fixtures, shall at once when made or installed be deemed to have attached to the freehold and to have become the property of Landlord; provided, however, if prior to termination of this Lease, or within fifteen (15) days thereafter, Landlord so directs, Tenant shall promptly remove the additions, improvements, fixtures, and installations which were placed in the Premises by Tenant and which are designated in said notice and shall repair any damage occasioned by such removal. If Tenant does not do so, Landlord may effect said removal and repairs at Tenant's expense.

B. Prior Notice to Landlord.

Before commencing any work or construction in or about the Premises, Tenant shall notify Landlord in writing of the expected date of commencement thereof. No alteration, addition or improvement to the Premises shall be commenced by Tenant until Tenant has furnished Landlord with a certificate from an insurance company acceptable to Landlord evidencing workman's compensation coverage and insurance coverage in amounts satisfactory to Landlord and protecting Landlord against public liability and property damage to any person or property on or off the Premises arising out of and during the making of such alterations, additions, or improvements. Any alterations, additions or improvements by Tenant hereunder shall be done in a good and workmanlike manner in compliance with any applicable governmental law, statute, ordinance or regulation. If any alteration or improvement is reasonably expected to cost in excess of TWENTY FIVE THOUSAND AND NO/100 (\$25,000.00) DOLLARS, before commencing any such work, Tenant shall either furnish to Landlord a bond in form and substance satisfactory to Landlord or such other security satisfactory to Landlord to insure payment for the completion of all work free and clear of liens.

C. No Liens.

Tenant shall not in any way encumber the title of Landlord in and to the Premises or the Shopping Center nor shall any interest or estate of Landlord in the Premises be in any way subject to any claim by way of lien or encumbrance whether by operation of law or by virtue of any express or implied contract by Tenant and any claim to or lien upon the Premises arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant and shall in all respects be subject and subordinate to the paramount title and rights of Landlord in and to the Premises. Tenant will not permit the Premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Premises by or at the direction or sufferance of Tenant.

ARTICLE XI

Entry by Landlord

Landlord, its agents and employees, may enter the Premises at all reasonable times for the purpose of exhibiting the same to prospective purchasers or tenants. Except in the case of an emergency, Landlord shall give Tenant reasonable notice before entering. Tenant also hereby grants to Landlord such licenses or easements in and over the Premises or any portion thereof as shall be reasonably required for the installation or maintenance of mains, conduits, pipes or other facilities to serve the Shopping Center or any part thereof or to make such repairs or improvements to the Shopping

Center as Landlord may from time to time determine to be desirable or necessary.

Landlord, its agents and employees, shall have free access to the Premises during all reasonable hours for the purpose of examining the same to ascertain if they are in good repair and to make reasonable repairs which Landlord may be required or permitted to make hereunder.

ARTICLE XII

Indemnity

Section 12.1. Indemnity.

Tenant shall indemnify and hold Landlord harmless from and against any and all claims arising from Tenant's use of the Premises or the conduct of its business or from any activity, work, or thing done, permitted or suffered by Tenant in or about the Premises. Tenant shall further indemnify and hold Landlord harmless from and against any and all claims arising from any breach or negligence of Tenant or any of its agents, employees, guests or invitee, and from and against all costs, attorney's fees, expenses and liabilities incurred in or about any such claim or any action or proceeding brought thereon, and in case any action or proceeding be brought against Landlord by reason of any such claim, Tenant upon notice from Landlord, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause other than Landlord's ~~gross~~ negligence or willful misconduct, and Tenant hereby waives all claims in respect thereof against Landlord.

Section 12.2. Exemption of Landlord from Liability.

Except for the negligence or willful misconduct of Landlord and to the extent permitted by law, Landlord shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitee or customers, or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, sewer backups, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, whether the damage or injury results from conditions arising from the Premises or upon other portions of the building of which the Premises are a part, or from any other source. Landlord shall not be liable for any damage arising from any act or neglect of any other tenant of the Shopping Center.

ARTICLE XIII

Liability Insurance

Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease in form satisfactory to Landlord, a policy of comprehensive public liability insurance insuring Landlord, Landlord's beneficiaries and agents, Tenant and Landlord's Mortgagee against any liability for injury or death arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto with a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury, death or property damage. The limits of such insurance shall not limit the liability of Tenant hereunder. Landlord shall have the right to request Tenant to increase the aforesaid limits from time to time if Landlord reasonably determines them to be inadequate. If Tenant shall fail to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain same at the expense of Tenant. Tenant shall reimburse Landlord for the cost of such insurance upon demand with interest at the Lease Interest Rate. Tenant shall deliver to Landlord, prior to right of entry, copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Landlord. No policy shall be cancelable or subject to reduction of coverage except upon no less than thirty (30) days' prior written notice to Landlord. All such policies shall be written as primary policies not contributing with and not in excess of coverage which Landlord may carry.

ARTICLE XIV

Damage or Destruction

Section 14.1. Insured Loss. If the Premises are damaged by fire, or other perils covered by extended coverage insurance, to an extent which is less than fifty (50%) percent of the cost of replacement of the Premises, the damage shall be repaired by Landlord, at Landlord's expense, within a reasonable time period thereafter, provided that Landlord shall not be obligated to expend for such repair an amount in excess of the insurance proceeds recovered by Landlord as a result of such damage. In the event of any such damage and if (i) Landlord is not required to repair as hereinabove provided or (ii) the Premises shall be damaged to the extent of fifty percent (50%) or more of the cost of replacement, or (iii) the buildings (taken in the aggregate) in the Shopping Center shall be damaged to the extent of more than twenty-five percent (25%) of the aggregate cost of replacement, Landlord may elect either to repair or rebuild the Premises or the buildings or to terminate this Lease upon giving notice of such election in writing to Tenant.

If the Premises are untenable in whole or in part as a result of such casualty, there shall be a proportionate abatement of the Minimum Rent from the date of damage until the date Landlord completes its work, said proportion to be based upon the extent to which the damage and making of such repairs shall reasonably interfere with the business carried on by Tenant in the Premises. If the damage is due to the fault or neglect of Tenant, its agents or employees, there shall be no abatement of rent. In no event shall percentage rent be abated.

Section 14.2. Uninsured Loss. If the Premises or the Shopping Center are damaged as a result of any cause other than the perils covered by fire and extended coverage insurance or if the proceeds of insurance received by Landlord are insufficient, in Landlord's sole judgment, to defray the costs of repair and restoration, then Landlord shall have the option either (i) to repair or restore such damage, or (ii) to terminate this Lease by notice to Tenant. If Landlord elects to terminate the Lease, all interest of Tenant in the Premises shall terminate on the date so specified in such notice.

Landlord shall indemnify, hold Tenant harmless and defend Tenant from and against any and all claims, demands, damages, judgments, fines, penalties, losses, costs and expenses, including reasonable attorney's fees, incurred by Tenant as a result of any accident occurring on or about the Common Areas of the Shopping Center.

and the Minimum Rent, reduced by a proportionate reduction as above stated, shall be paid to the date of such termination.

Section 14.3. Damage During Last Two (2) Years of Term.

Notwithstanding anything to the contrary contained in this Article, Landlord shall have no obligation to repair, reconstruct or restore the Premises when the damage resulting from any casualty occurs during the last twenty-four (24) months of the term of this Lease or any extension thereof. If Landlord does not give Tenant notice of its intent to reconstruct and has not begun to do so within six (6) months of the casualty, then Tenant shall have the right to terminate this Lease on thirty (30) days notice to Landlord.

ARTICLE XV

Condemnation

If twenty-five percent (25%) or more of the Premises are taken or appropriated by any public or quasi-public authority under the power of eminent domain, either party to this Lease shall have the right, at its option, within sixty (60) days after such taking or appropriation, to terminate this Lease upon thirty (30) days written notice to the other. If any part of the Premises are so taken (and neither party elects to terminate as herein provided), the Rent thereafter to be paid shall be equitably reduced.

If any part of the Shopping Center other than the Premises is so taken, Landlord shall have the right, at its option, within sixty (60) days of said taking, to terminate this Lease upon written notice to Tenant. In the event of any taking or appropriation whatsoever, Landlord shall be entitled to any and all awards and/or settlements which may be given and Tenant shall have no claim against Landlord for the value of any unexpired term of this Lease.

ARTICLE XVI

Assignment and Sublease

Tenant shall not voluntarily, or by operation of law assign, transfer, mortgage or otherwise encumber all or any part of Tenant's interest in this Lease or in the Premises, and shall not sublet or license all or any part of the Premises, without the prior written consent of Landlord in each instance, which shall not be unreasonably withheld or delayed. Any attempted assignment, transfer, mortgage, encumbrance, sublet or license without such consent shall be wholly void.

Without in any way limiting Landlord's right to refuse to give such consent for any other reason or reasons, Landlord reserves the right to refuse to give such consent if (1) in Landlord's sole discretion and opinion the quality of merchandising operation is or may be in any way adversely affected during the term of this Lease, or (2) the financial worth of the proposed new tenant is less than that of the Tenant executing this Lease at the time of such execution, or (3) the use proposed by the new subtenant will violate any exclusive rights or use restrictions previously granted to other tenants or would adversely affect the tenant or use mix of the Shopping Center, or (4) the percentage rent which Landlord might reasonably expect to receive from the new assignee or subtenant is less than that then being paid by Tenant. If Tenant requests Landlord's consent to an assignment of this Lease or a sublease, Landlord may, in lieu of granting or withholding such consent, terminate this Lease effective as of sixty (60) days after the date of such request, unless Tenant within thirty (30) days of Landlord's notice elects in writing to reconfirm its commitment to keep the premises.

No sublet or assignment, even with the consent of Landlord, shall relieve Tenant of its obligations to pay the Rent and to perform all of the other obligations to be performed by Tenant hereunder. The acceptance of rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision of this Lease or to be a consent to any assignment, subletting or other transfer. Consent to one assignment, subletting or other transfer shall not be deemed to constitute consent to any subsequent assignment, subletting or other transfer. Tenant shall pay ~~any costs~~ (including attorney's fees) incurred by Landlord in reviewing any request for permission to assign or sublease.

No consent shall be required and it shall not be deemed an assignment if: (i) Tenant or its parent company 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 if a private placement or sale of stock in Tenant or its parent company, (ii) there is a sale, issuance or transfer of capital stock in Tenant or any related entity of Tenant to any family members, or trust(s) for the benefit of such family members of Joseph Sitt or (iii) the assignee or sublessee has a minimum net worth of no less than Large Apparel of Illinois, as of the date of this lease, and is a parent, affiliate or wholly-owned subsidiary of Tenant or of Tenant's parent company or of Tenant's guarantor, or is a successor to Tenant by way of merger, consolidation or corporate reorganization. With regard to any of the foregoing exclusions from required consent tenant shall notify Landlord of such transfer within thirty (30) days of same.

ARTICLE XVII

Waiver of Subrogation

Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to its insurer to obtain said waivers and shall secure any special endorsements required by its insurer to comply with this provision.

ARTICLE XVIII

Subordination; Attornment; Quiet Enjoyment; Financing; Estoppel

Section 18.1. Subordination. At Landlord's option, this Lease shall be subordinate to: all ground or underlying leases which now exist or may hereafter be executed affecting the Premises or the land upon which the Premises are situated or both, to all declarations of covenants, easements and/or restrictions or amendments or modifications thereof to which Landlord or the legal titleholder of the Shopping Center may subject the Shopping Center, and to the lien of any mortgages or deeds of trust in any amount or amounts whatsoever now or hereafter placed on or against the land or improvements or either thereof, of which the Premises are a part, or on or against Landlord's interests or estate therein, or on or against any ground or underlying leases.

Tenant agrees to execute any further instruments which may be requested or required to evidence such subordination. If any mortgagee, trustee or ground lessor shall elect to have this Lease prior to the lien of its mortgage, deed of trust or ground lease, and shall give written notice thereof to Tenant, this Lease shall be deemed prior to such mortgage, deed of trust or ground lease, whether this Lease is dated prior or subsequent to the date of said mortgage, deed of trust or ground lease or the date of the recording thereof.

Section 18.2. Attornment. If any proceedings are brought for default under any ground or underlying lease or if there is a foreclosure under any mortgage or deed of trust covering the Premises, Tenant shall attorn to the purchaser upon any such foreclosure or sale and shall recognize such purchaser as the Landlord under their Lease, provided said purchaser expressly agrees in writing to be bound by the terms of this Lease.

Section 18.3. Quiet Enjoyment. If Tenant pays the Rent reserved herein and observes and performs all of the provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises during the entire term of this Lease.

Section 18.4. Estoppel Certificate. With no more than fifteen (15) days after written request by Landlord, Tenant will execute, acknowledge, and deliver to Landlord a certificate stating (a) that his Lease is unmodified and in full force and effect, or, if the Lease is modified, the way in which it is modified accompanied by a copy of the modification agreement, (b) the date to which rental and other sums payable under this Lease have been paid, (c) that no notice has been received by Tenant of any default which has not been cured, or, if such default has not been cured, what Tenant intends to do in order to effect the cure, and when it will do so, (d) that Tenant has accepted and occupied the Premises, (e) that Tenant has no claim or offset against Landlord, or, if it does, stating the circumstances which gave rise to the claim or offset, (f) that Tenant is not aware of any prior assignment of this Lease by Landlord, or, if it is, stating the date of the assignment and assignee (if known to Tenant), and (g) such other matters as may be reasonable requested by Landlord. Any such certificate may be relied upon by any prospective purchaser of the Premises and any prospective mortgagee or beneficiary under any deed of trust or mortgage encumbering the Premises. If Landlord submits a completed certificate to Tenant, and if Tenant fails to object to its contents within fifteen (15) days after its receipt of the completed certificate, the matters stated in the certificate shall be conclusively deemed to be correct, provided Landlord sends a second notice to Tenant by certified mail return receipt requested granting Tenant an additional ten (10) days to respond to the foregoing certificate. In the event Landlord fails to send the second notice to Tenant as required herein, the foregoing certificate shall be null and void and have no further force or effect.

ARTICLE XIX

Default; Remedies

Section 19.1. Default. The occurrence of any of the following shall constitute a default and breach of this Lease by Tenant.

- A. Tenant's not paying the rent or any other monetary sums required to be paid hereunder where such failure continues for five (5) days;
- B. Tenant abandoning or vacating the Premises;
- C. Tenant failing to observe or perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant. If the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, and the continuation of such default is not such by its nature as to endanger the insurance coverage of or any license or permit required to operate any part of the Shopping Center or to be a default under any mortgage or lease of the Shopping Center, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently and continuously prosecute the same to completion.
- D. Tenant being subject to an assignment for the benefit of creditors, the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises provided possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

Section 19.2. Remedies. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, in addition to any right or remedy at law or in equity which Landlord may have by reason of such default or breach:

- A. Terminate this Lease and Tenant's right of possession to the Premises, and recover all damages to which Landlord is entitled under law, specifically including, without limitation, rent for the balance of the term, all of Landlord's expenses of reletting (including repairs,

alterations, improvements, additions, decorations, legal fees and brokerage commissions); or

- B. Terminate Tenant's right of possession to the Premises without terminating this Lease, in which event Landlord may, but shall not be obligated to, relet the Premises, or any part thereof for the account of Tenant, for such rent and term and upon such terms and conditions as are acceptable to Landlord.

For purposes of such reletting, Landlord is authorized to decorate, repair, alter and improve the Premises to the extent reasonably necessary to relet same. If the Premises are relet and a sufficient sum not be realized therefrom after payment of all Landlord's expenses of reletting (including repairs, alterations, improvements, additions, decorations, legal fees and brokerage commissions) to satisfy the payment when due of rent reserved under this Lease for each such monthly period, or if, after Landlord attempts to mitigate its damages, the Premises have not been relet, Tenant shall pay any such deficiency monthly. Tenant agrees that Landlord may file suit to recover any sums due to Landlord hereunder from time to time and that such suit or recovery of any amount due Landlord hereunder shall not be a defense to any subsequent action brought for any amount not theretofore reduced to judgment in favor of Landlord. If Landlord elects, pursuant to this section, to terminate Tenant's right of possession only without terminating this Lease, Landlord may, at Landlord's option, enter into the Premises, remove Tenant's signs and other evidences of tenancy, and take and hold possession thereof. Such action shall not terminate this Lease or release Tenant, in whole or in part, from Tenant's obligation to pay the rent reserved hereunder for the term hereof or from any other obligation of Tenant under this Lease. Any and all property which may be removed from the Premises by Landlord pursuant to the authority of the Lease or of law, to which Tenant is or may be entitled, may be handled, removed or stored by Landlord at the risk, cost and expense of Tenant, and Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. Tenant shall pay to Landlord, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in Landlord's possession or under Landlord's control.

Any such property of Tenant not retaken from storage by Tenant within thirty (30) days after the end of the term, however, terminated, shall be conclusively presumed to have been conveyed by Tenant to Landlord under this Lease as a bill of sale without further payment or credit by Landlord to Tenant. Tenant hereby grants to Landlord a first lien upon the interest of Tenant under this Lease to secure the payment of monies due under this Lease, which lien may be enforced in equity. Any default by Tenant of any term or condition hereof other than the payment of sums due hereunder may be restrained or enforced by injunction.

Section 19.3. Default by Landlord. Landlord shall not be in default unless Landlord or Landlord's agent, assign or successor in interest fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligations. If the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

ARTICLE XX

Parking and Common Areas

Section 20.1. Landlord covenants that certain common and parking areas shall be at all times available for the non-exclusive use of Tenant during the full term of this Lease. Landlord reserves the right to close, if necessary, all or any portion of such common or parking areas to such extent as may in the opinion of Landlord's counsel be legally necessary to prevent a dedication thereof or the accrual of any rights of any person or of the public therein. Landlord also reserves the right to close portions of the common areas or parking areas while engaged in making additions, improvements or repairs to the Shopping Center.

Section 20.2. Tenant, in the use of said common and parking areas, agrees to comply with such reasonable rules and regulations and charges for parking as Landlord may adopt from time to time for the orderly and proper operation of said common and parking areas. Such rules may include, but shall not be limited to the following: (1) Restriction of employee parking to a limited, designated area or areas; and (2) Regulation of the removal, storage and disposal of Tenant's refuse and other rubbish at the sole cost and expense of Tenant.

ARTICLE XXI

Signs

Tenant shall affix and maintain, upon the exterior walls of the Premises, and within thirty (30) days after opening for business, signage in accordance with the criteria set forth on attached Exhibit "C". Such sign(s) as shall have first received the written approval of Landlord as to type, size, color and location. Such signs shall be lit each day from dusk until at least 10:00 p.m. each night. Tenant may not affix any sign to the roof of the Premises.

ARTICLE XXII

Holding Over

If Tenant retains possession of the Premises or any part thereof after termination of the term of this Lease by lapse of time or otherwise, Tenant shall as monthly rent such period of hold over, pay a sum equal to double the Minimum Rent to be paid by Tenant during the month preceding the termination of the Lease. Tenant shall also pay Landlord double the amount of all percentage rent and other charges due from Tenant as well as all damages sustained by reason of Tenant's failure to deliver possession of the Premises. The provisions of this paragraph do not exclude the Landlord's right of re-entry or any other right available at equity or law.

ARTICLE XXIII

Miscellaneous

Section 23.1. Rules and Regulations. Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time promulgate. Landlord shall not be responsible to Tenant for the non-performance of any of these rules and regulations by any other tenants or occupants.

Section 23.2. Transfer of Landlord's Interest. If Landlord's interest in the Premises or the Shopping Center is sold or conveyed, other than a transfer for security purposes only, Landlord shall be relieved of all obligations and liabilities accruing thereafter on the part of Landlord, provided that any funds in the hands of Landlord at the time of transfer in which Tenant has an interest, are delivered to Landlord's successor.

Section 23.3. Captions: Attachments. The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease. Exhibits and addendum attached are deemed a part of this Lease and are incorporated herein by reference.

Section 23.4. Landlord Defined. The term "Landlord" shall mean only the beneficial owner or owners at the time in question of the fee title or a tenant's interest in a ground lease of the Premises or the Shopping Center. MATANKY REALTY GROUP MANAGEMENT CORP. is acting solely as agent and shall have no personal liability to Tenant or any one claiming under Tenant. The obligations contained in this Lease to be performed by Landlord shall be binding on Landlord's successors and assigns only during their respective periods of ownership.

Section 23.5. Entire Agreement. This Lease constitutes the entire agreement between Landlord and Tenant relative to the Premises and supersedes any prior agreements, brochures or representations, whether written or oral. This Lease may be altered, amended or revoked only by an instrument in writing signed by both Landlord and Tenant. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

Section 23.6. Severability. If any provision of this Lease shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 23.7. Costs of Suit. If Landlord shall bring any action for any relief against the tenant, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of rent or possession of the Premises, and such action shall result in a favorable ruling or settlement in favor of Landlord, or if Landlord and/or its agents shall be made a party to any suit arising out of this Lease or Tenant's use or occupancy of the Premises or the Shopping Center, Tenant shall pay Landlord a reasonable sum for attorneys' fees and other costs of suit which shall be deemed to have accrued at the commencement of such action and shall be paid together with interest at the Lease Interest Rate whether or not such action is prosecuted to judgment.

Section 23.8. Time. Time is of the essence of this Lease and each and every provision hereof, except as to the conditions relating to the delivery of possession of the Premises to Tenant.

Section 23.9. Lease Interest Rate: Late Payment Penalty. All amounts other than Minimum Rent owed by Tenant to Landlord hereunder shall be deemed additional rent and shall be paid within five (5) days from the date Landlord renders statements of account therefor. All such amounts, including Minimum Rent, shall bear interest from the date due until the date paid at a rate equal to five (5%) percent above the prime rate of interest announced from time to time by the First National Bank of Chicago, Illinois, or its successor in interest, or at the maximum legal rate of interest allowed by law if such maximum legal rate is applicable and lower.

If any rent or other payments due under this lease from Tenant shall not be received by Landlord within five (5) days after the date they are due and payable, each such unpaid amount will be subject to a late payment charge equal to the greater of (i) five per cent (5%) of such unpaid amount, or (ii) \$100.00. This late payment charge is intended to compensate Landlord for Landlord's administrative costs relative to Tenant's default and is considered by Landlord and Tenant as a reasonable estimate of the additional administrative costs which will be incurred by Landlord as a result of Tenant's delinquency, the actual cost in each instance being extremely difficult, if not impossible, to determine. This late payment charge will constitute liquidated damages and will be paid to Landlord together with each such unpaid amount. The payment of this late payment charge will not constitute a waiver by Landlord of any default by Tenant under this lease and shall be in addition to interest payable on amounts not paid when due.

Section 23.10. Binding Effect: Choice of Law. The parties hereto agree that all of the provisions hereof are to be construed as both covenants and conditions as though the words importing such covenants and conditions were used in each separate paragraph hereof, and all rights and remedies of the parties shall be cumulative and non-exclusive of any other remedy at law or in equity. This Lease shall be governed by the laws of the State of Illinois.

Section 23.11. Waiver. No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed to be a waiver of any covenant, term or condition unless otherwise expressly agreed to by Landlord in writing.

Section 23.12. Surrender of Premises. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall at the option of Landlord terminate all or any existing subleases or may at the option of Landlord operate as an assignment to if of any or all such subleases.

Section 23.13. Notices. All notices or demands of any kind required or desired to be given by Landlord or Tenant hereunder shall be in writing and shall be deemed delivered upon personal delivery, or forty-eight (48) hours after depositing the notice or demand in the United States mail, certified or registered, postage prepaid, addressed to Landlord or Tenant respectively at the addresses set forth after their signatures at the end of this Lease.

Section 23.14. Corporate Authority. If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation in accordance with the By-Laws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms.

Section 23.15. Recording. Neither Landlord nor Tenant shall record this Lease. If Landlord so elects, it may record a short form hereof, in which case Tenant agrees to execute and deliver to Landlord immediately upon demand a notarized copy of the memorandum of such short form.

Section 23.16. Broker. Landlord and Tenant represent to each other that they have dealt with no broker in connection with this Lease other than MATANKY REALTY GROUP MANAGEMENT CORP. ("MRG") and Chicago Commercial Inc. ("CCI") and that insofar as either party knows, no broker other than MRG and CCI are entitled to any commission in connection herewith. Tenant indemnifies and holds Landlord and its beneficiaries and their respective agents and employees harmless from all claims of any broker or brokers other than MRG and CCI in connection with this Lease to the extent of broker's commission and any attorney's fees or costs which may be incurred by Landlord or its agents shall be claimed as a result of Tenant's actions.

Section 23.17. Joint and Several Obligation. If there be more than one Tenant, the obligations hereunder imposed shall be joint and several.

Section 23.18. Merchant's Association. INTENTIONALLY DELETED.

Section 23.19. Local Hiring Preference. The Shopping Center has been developed in partnership with the West Humboldt Park Development Council, an Illinois not-for-profit organization. To promote the goals of the Council, Tenant agrees that it will use its best efforts to employ residents of the community at all levels of employment, from the lowest through the very top management positions at the Premises.

Section 23.20. Hazardous Materials. The Landlord represents that the Premises and the Shopping Center are, to the best of its knowledge, free from the contamination of hazardous wastes or materials, including but not limited to, asbestos and asbestos containing material (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, the Hazardous Materials Transportation Act, as amended; the Resource Conservation and Recovery Act, as amended and any applicable state, county, city or local law; and the regulations adopted and publications promulgated pursuant to said laws. Landlord agrees to indemnify and to hold Tenant harmless from any and all claims, demands losses, liabilities, penalties, damages, costs and expenses, including without limitation, reasonable attorney's fees and costs (collectively "Claims") arising out of or connected with the presence of Hazardous Materials, or the removal thereof, from the Premises or the Shopping Center. If the Tenant closes for business due to the presence of Hazardous Substances or the removal thereof, then rent shall abate until such time as the removal has been completed. The indemnity obligation set forth herein shall survive the expiration or earlier termination of this Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease the date and year first above written.

LANDLORD:

MATANKY REALTY GROUP MANAGEMENT CORP.
not individually but as agent
for the beneficiaries of the
legal titleholder as aforesaid

By: 

Address:

1332 N. Halsted, Suite 300
Chicago, Illinois 60622

JEM/LGL/SHOPRYAN/12-2-99

TENANT:

Large Apparel of Illinois, Inc. an Illinois corporation

By: 

Joseph J. Sirt,
President

ATTEST: 

Jeffrey A. Klein, Secretary

Address:

Attention: Jeffrey Alan Klein, Esq.
100 Metro Way
Secaucus, New Jersey 07094

EXHIBIT A
SITE PLAN

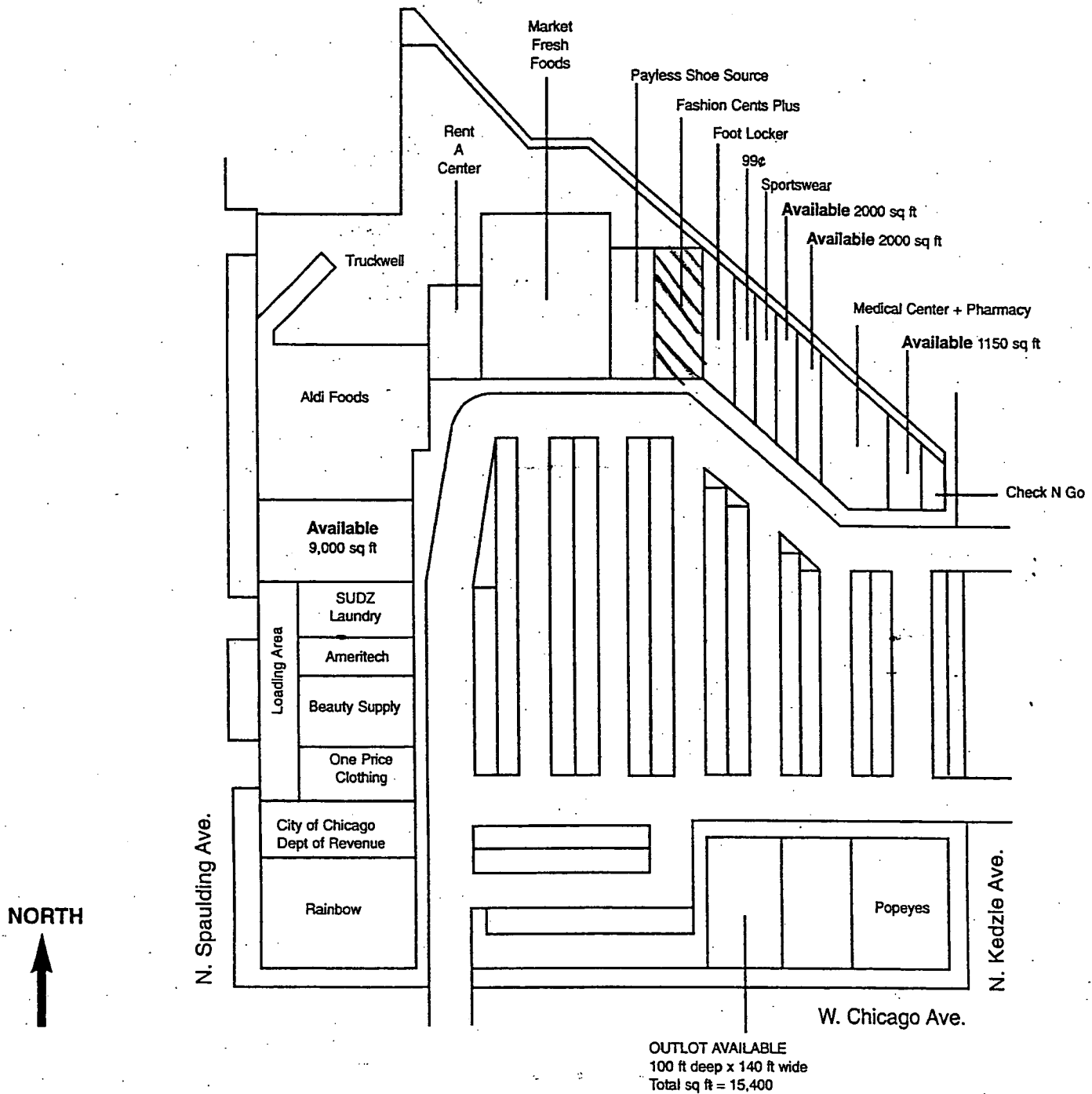


EXHIBIT B
LANDLORD AND TENANT'S WORK

I. Landlord's Work

Landlord will deliver the premises in an "as is" condition with working HVAC and in accordance with ADA requirements. In all other respects, the Premises shall be delivered "as-is".

II. Tenant's Work

Tenant shall perform all work required to prepare Premises for Tenant's use.

EXHIBIT C
SIGNAGE CRITERIA

A. Fascia Signs

1. Each Tenant shall furnish and erect an illuminated sign on the canopy fascia in front of his Premises to identify the Tenant doing business.
2. Signs shall not be used for advertising other than that which is implicit in "identifying the Tenant", nor shall "brand names" be used except when a brand name coincides with the name of the Tenant's store. Advertising symbols or logo-types may be used, however, they shall be utilized at the Lessor's sole discretion and with written approval.
3. Signs shall be surface-mounted with individual, translucent, plastic faced, illuminated letters. Sides of letters are to be opaque. See sample letters on page 2 of this exhibit. There shall be no neon or fluorescent tubes or incandescent bulbs exposed to view. Flashing signs and signs employing exposed raceways will not be permitted.
4. The sign letter's projection from the fascia surface to the outside face of the letter shall not exceed 0'-7".
5. The horizontal centerline of the proposed single or two-line sign shall be located at the midpoint distance between the top and bottom of the fascia. Maximum sign frontage shall be 60% of leased frontage with sign centered on that leased frontage. Maximum height of lettering or of total sign shall not exceed 3'-0". Minimum height of individual letters shall not be less than 1'-2". No more than two lines vertically shall be employed. Should the two-line style be utilized, all lettering styles shall be the same. All letters must be the same color within each Tenant's sign. Tenant may use upper and lowercase letters.
6. Each individual letter shall be illuminated and powered only by remote transformers located behind the building fascia panel. The Tenant's electrical work shall include a power wiring, final hook-up, and a seven-day timing device to control the fascia signage so that hours of illumination can be determined in accordance with the overall shopping center's policy.
7. All signs shall be approved by the Landlord prior to fabrication. The Tenant shall cause the sign company to submit detailed drawings, in triplicate, to the Landlord. The Landlord will review the drawings and return copies marked to indicate approval or the necessary comments. No sign shall be erected by any tenant except in accordance with the drawing bearing the Landlord's final approval.
8. A permit shall be secured by the Tenant from the applicable municipality prior to the installation of any fascia sign.
9. Upon vacating the Premises, each Tenant is responsible for removing the sign and repairing the building fascia.
10. Tenant may install an interior back lit sign of approximate dimensions of 2'x3' near the storefront reading "sizes 14-28".

B. Miscellaneous

1. Signs painted on glass storefronts will not be permitted.
2. No paper signs shall be permitted to be applied to the interior or exterior faces of the storefront glass or other material.
3. Address signs shall be supplied by Lessor.
4. No under-canopy signs will be permitted.

GUARANTEE

In consideration of, and as an inducement for the granting, execution and delivery of the foregoing Lease dated December 3, 1999 (the "Lease"), by Matanky Realty Group Management Corp, as agent for the owner (the "Landlord") to Large Apparel of Illinois, an Illinois Corporation doing business as Ashley Stewart Women's sizes 14-28 (the "Tenant") and in further consideration of the sum of One (\$1.00) dollar and other good and valuable consideration paid by the Landlord to the undersigned, the undersigned, (the "Guarantor") hereby guarantees as to the Landlord, its successors and assigns, the full and prompt payment of any and all Rent and other sums and charges payable by the Tenant, its successors and assigns, under the Lease and full performance and observance of all covenants, terms conditions and agreements therein provided to be performed and observed by Tenant, its successors and assigns; and the Guarantor hereby covenants and agrees to act with Landlord, its successors and assigns, that if default shall at any time be made by the Tenant, its successors and assigns, in the payment of any such amounts due and payable by the Tenant under the Lease, or in the performance of any of the terms, covenants, provisions or conditions contained the Lease, the Guarantor will forthwith pay such rent to the Landlord, its successors and assigns, any arrearage thereof, and will forthwith faithfully perform and fulfill all of such terms, covenants and conditions and provisions and will forthwith pay to the Landlord all damages that may arise in consequence of any default by the Tenant, its successors and assigns, under the Lease including, without limitation, all reasonable attorney's fees incurred by the Landlord or caused by any such default and by the enforcement of this Guaranty.

This Guaranty is an absolute, continuing and unconditional Guaranty of payment and of performance of suretyship it shall be enforceable against the Guarantor, its successors and assigns, without the necessity for any suit or proceedings on the Landlord's part of any kind or nature whatsoever against the Tenant, its successors and assigns, and without the necessity of any notice of non-payments, non-performance, or non-observance or any notice of acceptance of this Guaranty or any other notice or demand to which the Guarantor might otherwise be entitled, all of which the Guarantor hereby expressly waives; and the Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of the Guarantor hereunder shall in no way be terminated, affected or impaired by reason of the assertion or the failure to assert by the Landlord against the Tenant, or the Tenant's successors and assigns, of any of the rights and remedies reserved to the Landlord pursuant to the provisions of the Lease.

The Guaranty shall be a continuing Guaranty, and the liability of the Guarantor hereunder shall in no way be affected, modified or diminished by reason of any assignment, renewal, modification or extension of the Lease, or by reason of any extension of time that may be granted by the Landlord to the Tenant, its successors and assigns, or by reason of any dealings or transactions or matter or things occurring between the Landlord and the Tenant, its successors and assigns whether or not notice thereof is given to the Guarantor. This Guaranty cannot be assigned, transferred, modified, or terminated in any manner whatsoever without the express written consent of the Landlord.

Dated: as of December 3, 1999

GUARANTOR

URBAN BRANDS, INC, a Delaware corporation

BY: _____

JOSEPH J. SITT, President

Tenant Ledger

**Ashley Stuart Clothing #255
Urban Brands - 100 Metro Way
Secaucus, NJ 07094**

Date: 12/06/10
Tenant Code: 619210
Property: 619
Unit: 021000
Status: Current
Rent: 6,000.00
Deposit: 0.00
Move In Date: 02/01/00
Move Out Date:
Due Day: 1
Tel# (O): (201) 319-9093 x 2135
Tel# (H):

Date	Description	Charges	Payments	Balance
	Balance Forward			-6,724.43
07/01/09	Store Rent (07/09)	4,083.10		-2,641.33
07/01/09	Cam/Real Estate Tax/Ins (07/09)	3,083.00		441.67
08/01/09	Store Rent (08/09)	4,083.00		4,524.67
08/01/09	Cam/Real Estate Tax/Ins (08/09)	3,083.00		7,607.67
08/25/09	chk# 333048		7,166.10	441.57
09/01/09	Store Rent (09/09)	4,083.10		4,524.67
09/01/09	Cam/Real Estate Tax/Ins (09/09)	3,083.00		7,607.67
09/15/09	chk# 333924		7,166.10	441.57
10/01/09	Store Rent (10/09)	4,083.10		4,524.67
10/01/09	Cam/Real Estate Tax/Ins (10/09)	3,083.00		7,607.67
10/19/09	chk# 334929		7,166.10	441.57
11/01/09	Store Rent (11/09)	4,083.10		4,524.67
11/01/09	Cam/Real Estate Tax/Ins (11/09)	3,083.00		7,607.67
11/19/09	chk# 335917		7,166.10	441.57
12/01/09	Store Rent (12/09)	4,083.10		4,524.67
12/01/09	Cam/Real Estate Tax/Ins (12/09)	3,083.00		7,607.67
12/22/09	chk# 337183		7,166.10	441.57
01/01/10	Store Rent (01/10)	4,083.10		4,524.67
01/01/10	Cam/Real Estate Tax/Ins (01/10)	3,083.00		7,607.67
02/01/10	Store Rent (02/10)	6,000.00		13,607.67
02/01/10	Cam/Real Estate Tax/Ins (02/10)	3,083.00		16,690.67
02/01/10	Free Rent Feb 2010	-6,000.00		10,690.67
02/01/10	Free Cam Feb 2010	-3,083.00		7,607.67
02/05/10	chk# 338351		7,166.10	441.57
02/24/10	chk# 0000338964		7,166.10	-6,724.53
03/01/10	Store Rent (03/10)	6,000.00		-724.53
03/01/10	Cam/Real Estate Tax/Ins (03/10)	3,083.00		2,358.47
03/05/10	chk# 339332		9,083.00	-6,724.53
04/01/10	Store Rent (04/10)	6,000.00		-724.53
04/01/10	Cam/Real Estate Tax/Ins (04/10)	3,083.00		2,358.47
05/01/10	Store Rent (05/10)	6,000.00		8,358.47
05/01/10	Cam/Real Estate Tax/Ins (05/10)	3,083.00		11,441.47
05/06/10	Late Fee 5.0% of amount owed (monthly)	454.15		11,895.62
05/20/10	chk# 341747		7,166.10	4,729.52
06/01/10	Store Rent (06/10)	6,000.00		10,729.52

CONTINUED

Tenant Ledger

Ashley Stuart Clothing #255
Urban Brands - 100 Metro Way
Secaucus, NJ 07094

Date: 12/06/10
 Tenant Code: 619210
 Property: 619
 Unit: 021000
 Status: Current
 Rent: 6,000.00
 Deposit: 0.00
 Move In Date: 02/01/00
 Move Out Date:
 Due Day: 1
 Tel# (O): (201) 319-9093 x 2135
 Tel# (H):

Date	Description	Charges	Payments	Balance
	Balance Forward			10,729.52
06/01/10	Cam/Real Estate Tax/Ins (06/10)	3,083.00		13,812.52
06/05/10	chk# 342370		9,083.00	4,729.52
06/05/10	chk# 342198		7,166.10	-2,436.58
07/01/10	Store Rent (07/10)	6,000.00		3,563.42
07/01/10	Cam/Real Estate Tax/Ins (07/10)	3,083.00		6,646.42
07/06/10	Late Fee 5.0% of amount owed (monthly)	332.32		6,978.74
07/15/10	chk# 343495		9,083.00	-2,104.26
07/20/10	2009 CAM Credit	-847.56		-2,951.82
08/01/10	Store Rent (08/10)	6,000.00		3,048.18
08/01/10	Cam/Real Estate Tax/Ins (08/10)	3,083.00		6,131.18
08/06/10	Late Fee 5.0% of amount owed (monthly)	348.94		6,480.12
09/01/10	Store Rent (09/10)	6,000.00		12,480.12
09/01/10	Cam/Real Estate Tax/Ins (09/10)	3,083.00		15,563.12
09/06/10	Late Fee 5.0% of amount owed (monthly)	454.15		16,017.27
10/01/10	Store Rent (10/10)	6,000.00		22,017.27
10/01/10	Cam/Real Estate Tax/Ins (10/10)	3,083.00		25,100.27
10/05/10			6,000.00	19,100.27
10/12/10	chk# 345175		3,083.00	16,017.27
11/01/10	Store Rent (11/10)	6,000.00		22,017.27
11/01/10	Cam/Real Estate Tax/Ins (11/10)	3,083.00		25,100.27
11/05/10	chk# 345651		9,083.00	16,017.27
12/01/10	Store Rent (12/10)	6,000.00		22,017.27
12/01/10	Cam/Real Estate Tax/Ins (12/10)	3,083.00		25,100.27

Current	30 Days	60 Days	90 Days	Amount Due
9,083.00	0.00	0.00	16,017.27	25,100.27