United States Bankruptcy Court		PROOF OF CLAIM
Name of Debtor: Ashley Stewart, Ltd.	Case Numbe	r: 10∸13027–KJC
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of administrative expense may be filed pursuant to 11 U.S.C. § 503.	f the case. A r	
Name of Creditor (the person or other entity to whom the debtor owes money or property): The Novogroder Companies, Inc. Name and address where notices should be sent: RECEIVED		s box to indicate that this ends a previously filed
The Novogroder Companies, Inc. 875 N. Michigan Avenue, Suite 3612 Chicago, IL 60611 JAN 20 2011		n Number:
Telephone number: (312) 951-5500 BMC GROUP	Filed on:	· · · · · · · · · · · · · · · · · · ·
Name and address where payment should be sent (if different from above):		s box if you are aware that
(Same as above)	anyone el relating to	se has filed a proof of claim by your claim. Attach copy of giving particulars.
Telephone number:		is box if you are the debtor in this case.
1. Amount of Claim as of Date Case Filed: \$\frac{182,000.00}{}	5. Amount	of Claim Entitled to
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.	any port one of th	under 11 U.S.C. §507(a). If tion of your claim falls in ne following categories, e box and state the
If all or part of your claim is entitled to priority, complete item 5.	amount.	
Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		oriority of the claim.
2. Basis for Claim: Lease		. §507(a)(1)(A) or (a)(1)(B).
(See instruction #2 on reverse side.) 3. Last four digits of any number by which creditor identifies debtor:	□ Wages. sr	alaries, or commissions (up
3a. Debtor may have scheduled account as: (See instruction #3a on reverse side.)	to \$11,72 before fil petition o	25*) earned within 180 days ling of the bankruptcy or cessation of the debtor's
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.	U.S.C. §	, whichever is earlier – 11 507 (a)(4). tions to an employee benefit
Nature of property or right of setoff: Real Estate Motor Vehicle Other Describe:	plan – 11	U.S.C. §507 (a)(5).
Value of Property: S Annual Interest Rate % Amount of arrearage and other charges as of time case filed included in secured claim,	purchase, or service household	lease, or rental of property es for personal, family, or d use - 11 U.S.C. \$507
	(a)(7).	
if any: \$ Basis for perfection: Amount of Secured Claim: \$ Amount Unsecured: \$		penalties owed to ental units - 11 U.S.C. §507
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		nacify annicelle
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements.		specify applicable paragraph S.C. §507 (a)().
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.)	Amou \$_	nt entitled to priority:
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.	4/1/13 and e	re subject to adjustment on very 3 years thereafter with
If the documents are not available, please explain:	respect to ca the date of a	_
Date: 1/6/// Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the cooting person authorized to file this claim and state address and telephone number if different from the address above. Attach copy of power of attorney, if any.	reditor or he notice	FOR COURT USE ONLY Urban Brands 00510

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, Central District of California), 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. Credits:

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

7. 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 a person, corporation, or other entity owed a debt by the debtor that arose on or before 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 owed by the debtor that arose 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 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 agent 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 taxidentification, 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

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may contact BMC Group (info@bmcgroup.com).

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(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.), and any applicable orders of the bankruptcy court.



ASHLEY STEWART

Guarantor of Lease 2240 S. Cicero Avenue Cicero, IL

- 1. Ashley Stewart signed Leaes on July 30, 1999.
- 2. Lease was Assigned to Ritmo Latino and David Massry on April 13, 2001.
- 3. Ritmo Latino and David Massry defaulted on Lease and vacated.
- 4. We cannot locate Ritmo Latino nor David Massry.
- 5. Ashley Stewart is still liable as Guarantor.
- 6. <u>Breakdown of Financial Claim:</u>

A.	Rent: September 2009 through March 2010
	Paid \$4,200.00 per month; Shortage of \$2,100.00 per month
	7 months @ \$2,100.00 =

14,700.00

B. Rent: April 2010 through June 2010
Paid \$3,400.00 per month; Shortage of \$2,900.00 per month
3 months @ \$2,900.00 =

8,700.00

C. Rent: July 2010 through January 2012 19 months @ \$6,300.00 =

119,700.00

D. Renvovation of Space to Vanilla Box

39,000.00

Total Claim

\$ 182,100.00

ASSIGNMENT, ASSUMPTION AND AMENDMENT OF LEASE

THIS INSTRUMENT, executed as of the 2 day of April, 2001, by and among:

AS PARTY OF THE FIRST PART: THE NOVOGRODER CO., INC., as AGENT for CICERO COMMONS ("Landlord"), with offices at 875 N. Michigan Avenue, Chicago, IL 60611

AS PARTY OF THE SECOND PART: Ashley Stewart Brands, Inc. (hereinafter referred to as "Assignor"), having a mailing address at 100 Metro Way, Secaucus, NJ 07094 and Ashley Stewart, Ltd. (hereinafter referred to as "Original Guarantor").

AS PARTY OF THE THIRD PART: Ritmo Latino, Inc. (hereinafter referred to as "Assignee") having a mailing address at 3535 Route 66, Building 1, Neptune, NJ 07753.

AS PARTY OF THE FOURTH PART: David Massry (hereinafter referred to as "Second Guarantor").

WITNESSETH:

REFERENCE is made to the following facts:

- Landlord and Assignor entered into that certain lease dated as of July 30, 1999 (the "Lease"), relating to
 certain premises located at 2240 South Cicero Avenue, Cicero, Illinois, (the "Leased Premises") as more
 particularly described in the Lease attached hereto as Exhibit A and incorporated herein by reference.
- 2. The Assignor wishes to assign its interest under the Lease to the Assignee and to deliver the Leased Premises broom clean and vacant to Assignee effective as of June 1, 2001 or such other date when delivery occurs (the "Effective Date").
- 3. Landlord and Assignee wish to modify certain provisions of the Lease in connection with such assignment.

NOW, THEREFORE, in consideration of ONE DOLLAR (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby severally acknowledged, it is agreed as follows:

- 1. Assignor or Assignee shall give notice to Landlord of the Effective Date no later than two (2) business days after the same has occurred. Notices shall be given to Landlord in accordance with the Lease. Notices to Assignor and Assignee, respectively, shall be given by Certified Mail, Return Receipt Requested, at the address hereinbefore set forth. From and after the Effective Date, notices to the Tenant under the Lease shall be given to the Assignee at the address hereinbefore set forth or at such other address as the Assignee shall notify the Landlord in accordance with the terms of the Lease. All notices shall be in writing.
- 2. The Assignor hereby transfers, assigns and sets over unto the Assignee all of its interest in and rights under the Lease, effective as of the Effective Date. Landlord hereby consents to such transfer and assignment subject to the provisions hereof.
- 3. The Assignee assumes the performance of and agrees to be bound by all of the obligations of the Assignor as the Tenant under the Lease, including, without limitation, the obligation to pay rent and amounts provided for thereunder, on or after the Effective Date. The Second Guarantor guarantees to the Landlord and its successors and assigns the payment by Assignee of all amounts due under the Lease on and after the Effective Date. Notice of default is waived and consent is given to all extensions of time Landlord may grant. This guaranty is absolute and unconditional.
- 4. The Assignor and original Guarantor shall not be released from any and all liabilities and obligations under the Lease, and the original Guarantor acknowledges this Assignment and consents to same. All guarantees remain in full force and effect.
 - 5. This instrument may be executed in counterparts.
- 6. Notwithstanding anything to the contrary contained in the Lease, Assignee may, at Assignee's sole cost and expense, install new signage (identifying Assignee's trade name, which such trade name shall be as provided below) in the place of all Assignor's existing signage on or at the Leased Premises, provided: such signage does not exceed the dimensions of the existing signage; the removal of the existing signage and installation of the new signage is performed in a good workmanlike manner and in compliance with any and all applicable codes and/or ordinances; such signage complies with Landlord's current sign criteria.
 - 7 The Lease shall be amended in the following respects effective as of the Effective Date:

- 8. The Assignee shall be permitted to cease operations in the Leased Premises for a period commencing on the Effective Date and expiring on the date which is sixty (60) days following the Effective Date.
- 9. The Landlord hereby agrees that all conditions under the Lease to be performed by the Assignor prerequisite to the full effectiveness of the Lease have been satisfied. Landlord represents to Assignee that the existing term of the Lease expires on January 31, 2005. Landlord acknowledges that Tenant under the Lease has the option to extend the term of the Lease for one five (5) year period pursuant to the terms and conditions of the Lease.
 - 10. In all respects, the Lease, as hereby amended and modified, is hereby ratified, approved and confirmed.
- 11. Assignor represents to Assignee that Assignor is not in default of any of the terms in the Lease and that Assignor shall be responsible for all obligations under the Lease prior to the Effective Date. Assignor shall indemnify and hold Assignee harmless for any breach of the obligations under this paragraph including any cost and expenses, including legal fees incurred by Assignee resulting upon such breach.
- 12. Landlord, Assignor and Assignee agree that the "Effective Date" with respect to this Agreement shall not be earlier than the date Assignor has delivered the Leased Premises broom clean and vacant with all furniture and fixtures attached to the Leased Premises.
- 13. Assignee acknowledges that its current monthly payment under the Lease shall be SIX THOUSAND SIXTY SIX DOLLARS and 66/100 (\$6,066.66) of which THREE THOUSAND NINE HUNDRED SIXTEEN DOLLARS and 66/100 (\$3,916.66) is rent and the remainder is the current amount for CAM and taxes.
- 14. In no event shall any rent payable under the Lease increase solely as a result of this Assignment, Assumption and Amendment of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this instrument in any number of counterpart copies, each of which shall be an original for all purposes, as of the day and year first above written.

AGREED TO:

THE NOVOGRODER CO., INC. CICERO COMMONS AS AGENT FOR

Date:

ASSIGNOR:

ASHLEY STEWART BRANDS, INC.

ORIGINAL GUARANTOR:

ASHLEY STEWART, Ltd.

ASSIGNEE:

RITMO LATINO, INC.

SECOND GUARANTOR:

DAVID MASSRY

LEASE

Agreement of LEASE	made and entered into	as of the 30th day o	of
 July	, 19		

WITNESSETH:

ARTICLE I

CERTAIN DEFINITIONS and BASIC LEASE TERMS

1.01 Certain Definitions. As used herein	1.01	Certain	Definitions.	As	used	herein:	
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(a)	"Landlord" shall mea	n THE NOVOGRODER CO., INC., as Agent,	
(b)	"Tenant" shall mean	nue, Chicage, Illinois 60611. ASHLEY STEWART BRANDS, INC.	
(~)	·		
	•		
Add	ress of Tenant:	100 Metro Way	
		Secaucus, New Jersey 07094	
Leas	sed Premises:	2240 S. Cicero (Just North of the Kid Spot Stor	:e)
		Cicero, Illinois 60650	٠
(c)	"Leased Premises" designated as location	shall mean the premises within the Shopping Center 2240 S. Cicero, Cicero, Illinois 60650	
		of approximately 4000 square feet, exercises reserved and excepted as hereinafter set forth in this	
(d)	"Shopping Center" sh	nall mean the real estate described in Eyhibit "A" attached	•

hereto, including any and all improvements now or at any time located thereon, excluding any portion that may be taken by eminent domain, or be dedicated for public use, known as the <u>CICERO COMMONS</u>

"Lease" shall mean Articles I through XII hereof and the exhibits referred to herein which, by such references, are hereby adopted and made a part hereof, together with any amendments, modifications, schedules or plans specifically referred to

herein.

+.05 RENTS, Tenant agrees to pay to Landford for possession and use of the Leased Premises.	
without right of offset or deduction for any reason, the following rents: *See Below (a) Minimum Rent. The Tenant shall pay "Minimum Rent" at the rate of \$	
per account in advance monthly installments at s*See Below (accounted to fractional months)	
per annum, in advance monthly installments of \$\frac{\street{See Below}}{\text{prorated}}\$ (prorated for fractional months) on the lirst day of each calendar month during the Lessa Term.	
(b) Personiage Rent. Tonent-shall pay, as additional rent, a persontage cost of	
per sont of Gross Sales per Lease Year, as sel forth in Article IV	
(a) Common Aver Meistenenne Charge Yennet shell also any an additional cont. Tennet's ave	
(c) Common Area Maintenance Charge. Tenant shall also pay, as additional rent, "Tenant's pro- rate share of the Common Area Costs according to Article V of this lease.	
(d) Real Estate Taxes. Tenant shall also pay, as additional rent, Tenant's pro rata share of the	
Shopping Center's Real Estate Taxes according to Section 8:01 (o) of this Lease. (e) insurance. Tenant shall also pay, as additional rent, Tenant's pro rata share of the fire and	
extended coverage to: CICERO COMMONS	
extended coverage for OFFICE COPIE ONE (i) In addition to the minimum rental provided for in Paragraph 1.05 (a), there will be a yearly and	
justment during the term hereof and any extension or renewal hereof, of such rental based upon the	
Consumer Price Index. No adjustments are to be made for the first year of the initial term. Therewiter,	
the minimum monthly rent provided for in Paragraph 1.05 (a) shall be subject to adjustment/at the commencement of the second year of the term and each year thereafter ("the adjustment date") as	
tollows:	
in addition to the basic monthly rental provided for in Paragraph 1.05 (a), there will be a yearly adjust-	
ment of such rental during the term hereof and any extension or renewal thereof, based on the "BLS Consumers" Price Index" or "Consumer Price Index", as specified herein. The basic monthly rental	
shall be adjusted and changed as follows: Such adjustment and change in the basic rant shall be	
determined in accordance with cost of living changes in the "BLS Consumers" Price Index" or "Con-	
sumer Price Index", The "BLS Consumers" Price Index figure for the month of	
1981 is hereby fixed and established as and referred to herein as the "Base" or the "base index figure" in the computation of adjustment of rentals herein provided for. At the beginning of each suc-	
cessive lease year, beginning ("adjustment pate"), the "BLS Consumers"	
	,
Price Index" for the preceding month, thereto shall be ascertained and noted and the rental commencing with the start of each lease year shall be adjusted by increasing the basic	
monthly rent, percentagewise, as the said "BLS Consumers" Price Index" for the month has increas-	
ed as compared with the base "BLS Consumers' Price Index" figures as herein fixed. There shall be no adjustment ill auch "BLS Consumers' Price Index" is tower than the figure for	
preceding the forthcoming lease year has increased over the "BLS Consumers"	
Price index" for the month of, then at the beginning of each lease year, com-	
mencing on, an adjustment shall be made to the basic monthly rental.	
In such event, the basic monthly rental for such lease year shall be set by multiplying the basic mon-	
In such event, the basic monthly rental for such lease year shall be set by multiplying the basic mon- thly minimum rental as provided in Paragrech 1.05 (a) by a fraction, the numerator of which is the	
In such event, the basic monthly rental for such lease year shall be set by multiplying the basic mon- thly minimum rental as provided in Paragrech 1.05 (a) by a fraction, the numerator of which is the "BLS Consumers' Price Index" for the month of, and the denominator of which	
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"BLS Consumers' Price Index" for the month of, and the denominator of which is the "BLS Consumers' Price Index" for the month of, and the denominator of which is the "BLS Consumers' Price Index" for the month of, All such adjustments shall be made to the nearest full percentage point. Each year, thereafter, a similar adjustment is to be made. The term, "lease year" as used in this Article, is for the period commencing on, and enging on, in no event shall the rent in any given year increase more than 1096 of the previous year's rent. (g) The "BLS Consumers' Price Index" or Consumer Price Index" referred to herein shall be the Consumer Price Index for Urban Wage Earners and Cierical Workers for the City of Chicago, Illinois, Alt. ITEMS, 1987 = 100, published by the United States December of Labor Businesies.	
thly minimum rental as provided in Paragreth 1.05 (a) by a fraction, the numerator of which is the "BLS Consumers' Price Index" for the month of	•
"BLS Consumers' Price Index" for the month of, and the denominator of which is the "BLS Consumers' Price Index" for the month of, and the denominator of which is the "BLS Consumers' Price Index" for the month of, and the denominator of which is the "BLS Consumers' Price Index" for the month of, all such adjustment is to be made. The term, "lease yest" as used in this Article, is for the period commencing on, and enging on, in no event shall the rent in any given year increase more than 10% of the previous year's rent. (g) The "BLS Consumers' Price Index" or Consumer Price Index" reterred to herein shall be the Consumer Price Index or Labor Stellatics, Alt. ITEMS, 1987 = 100, published by the United States Department of Labor, Bursal of Labor Stellatics, Further, (1) it the mapher in which the "BLS Consumers' Price Index" is determined by the United States Department of the produce results equivalent, as nearly possible, to those which would have been	
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Feb. 2003 / Jan., 2005 - \$4, 166.66 Per Mo.

ANNUAL RENT equals twelve times monthly rent.

TENANT WILL BE GRANTED POSSESSION OF THE SPACE "AS IS" ON SEPTEMBER 1, 1999 (2)

ARTICLE II

SHOPPING CENTER and LEASED PREMISES.

2.01 Shopping Center, it is agreed that the depiction of the Shopping Center on Exhibit "A" doc not constitute a representation, or covenant or warranty of any kind by Landlord, and Landlord reserve the right to change the size and dimensions of the Shopping Center, including the number and loction of buildings, building dimensions, the number of floors in any of the buildings, store demension identify and type of other stores and tendnoies, and the Common Area, except that the Leased Premise shall not be substantially altered without Tenant's prior approval.

Reliable

Reliable 2.02 Exception from Lessed Premises. Landlord excepts and reserves from Lessed Premises th use of the exterior walls and roof thereof; the right to install, maintain, repair, use and replace pipe ducts, conduits and wires in or upon the Leased Premises in locations that will not materially interfer with Tenant's use thereof, and the right to enter upon the Leased Premises in any reasonable mannnecessary to perform any of the duties and responsibilities of Landford under the Lease or to exercis any of Landford's rights. (4)

ARTICLE 'III

CONSTRUCTION BY LANDLORD and TENANT.

3.01 Construction by Tenant and Tenant's Plans, Tenant will complete the Tenant's Work at T nant's expense, in a good and workmanlike manner, in accordance with the plans and specification hereinafter referred to in this Section 3.02. Prior to beginning any work on the Leased Premises, T. nant shall received Landlord's written approval of plans and specifications for Tenant's Work prepara in conformity with Exhibit "D" and all applicable building dodes and regulations in sufficient deta to constitute complete working plans and specifications, Landlord shall approve or disapprove suc plans and specifications within lifteen (15) days after receipt. Reasons for disapproval shall be specifical noted, but Landlord may reject the plans for any good reason. Tenant shall cause all work to be pe formed in conformity with the plans and work to be performed in conformity with the plans and specific. tions as approved by Landford and will not make any changes or modifications thereto without Landford written consent. Tenant shall obtain all required building permits and approvals from local authoritie and furnish copies thereof to Landford before commencing any of the Tenant's Work, 3.02 Lian Free Completion. Tenant agrees to pay promptly, when due, the entire costs of Tenant Work; to obtain from each contractor with whom Tenant has contracted for such work, prior to payir work to obtain from each contractor will whom tenant has contracted to such work, prior to payir any amount to such contractor, a statement in writing under oath, or verified by affidavil, of the name of all parties furnishing materials and labor for such work and the amounts due, or to become du to each and, at the time of payment, obtain from each contractor a Walvar of Lien in the amount pa to each; to keep the Lessed Premises at all times free of liens and claims for liens for labor and material for work undertaken by Tenant; to furnish Landford copies of all contracts entered into by Tenant ar the sworn statements and waivers of tiens therefore, promptly upon receipt of the same by Tener to only use contractors previously approved in writing by Landlord; to perform such work with unk labor to the extent and in such manner as to insure proper maintenance of good labor relationsh and to save Landlord harmless and indemnified from all injury, loss, claims or damage to any person or property occasioned by or growing out of such work. If any claim for Mechanic's Lien arises again the Leased Premises of the Shopping Center by reason of work undertaken by Tenant, and such claid is not discharged, bonded or otherwise satisfied by Tenant within thiny (30) days effer written notified to Tenant, the Landlord may pay such claim and proceed to obtain the discharge and release thereo and Tenant shall pay Landlord as additional rent the amount paid by Landlord to obtain the dischar and release thereof, together with court costs and attorney's fees upon demand. Landlord agre-Tenant may contest any claim of tien by posting adequate security therefore with Landlord.

ARTICLE IV

DETERMINATION and PAYMENT of PERCENTAGE RENT

Ant. Obligation, Tanant agrees to pay Landford Berosnings Pant for each "Lease Vest" or "Fre-tional Lease Year" (as defined in Section 4.02) included in the Lease Term, payable as provided Section 4.05 in the amount by which Tenant's "Gross Sales" (as defined in Section 4.03) during sur 401...Obligation Lease Year or Fractional Year, multiplied by the Percentage Rent rate, set forth in Section 1.05 (exceeds the Minimum Rent payable for the same period

4.02 Computation and Payment of Percentage Rent, Definition of Lesse Year and Fraction Lesse Year. The term "Lesse Year" is defined to mean a period of 12 consecutive calendar month the first full Lesse Year commencing on the first day of the calendar month following the Confirmation the lies for Lease 1 set commencing or the lies day of the comment pale of the Lease Term, and each succeeding Lease Year commencing on the anyergary the commencement of the first Lease Year. Any portion of the Lease Yerr which is less than a Lease Year aball be deemed a "Fractional Lease Year".

4.03 Definition of Gross Sales. The form "Gross Sales" as used herein is defined to mean it

total amount in dollars of the actual sales price, whether for cash or on credit, or parily for cash as parily on credit, of all sales of merchandise and services, including all gift and merchandise certificate all business conducted on or from the Leased Premises, including but not limited to, ell sales employees of Tenant, all mail or telephone orders received or filled at or from the Leased Premise all deposits not refunded to purchasers, all orders taken in and from the Leaded Premises wheth or not such orders are lilled elsewhere, receipts or sales through any vending machine or other co operated device, and sales by any sublessee, concessionaire, licensee any any other person or pe operated device, and astes by any sublesses, concessionalite, licensee and any other person or persons permitted by Landford to use the Leased Premises. Gross Sales shof not, however, include any sums collected and paid by Tenant for any sales or retail excise tax imposed by any duly constitute governmental authority, nor shall they include any exchange of goods or merchandise between the stores of Tenant where such exchange of goods or merchandise is/made solely for the convenient operation of the business of Tenant and not for the purpose of consummating a sale which he therefoliors been made at, in or from the Leased Premises, or for the purpose of depriving Landior of the benefit of sale which otherwise would be made at, in oyfrom the Leased Premises, nor the amount of returns to ablocate or manufacturers for the amount of allows to ablocate or manufacturers for the amount of allows to ablocate or manufacturers for the amount of allows to ablocate or manufacturers and the amount of allows to a blocate or manufacturers. amount of returns to shippers or manufacturers, nor the amount of any cash or credit return made upon any sale where the merchandise sold, or some part thereof, is thereafter returned by the purchaser and accepted by Tenant, nor sales of fixtures after the use thereof which are not part of Trinant's stock in trade. No deduction shall be made from Gryss Sales for sny franchise, income or gross receipts; or taxes for any other taxes based upon the income of Tenant. Each sale upon Installmant and the trade of or credit shall be treated as a sale for the full price in the month during which such sale as a sal for the full price in the month during which such sale was made, trespective of the time when Tenes shall receive payment from its customer, and no goduction shall be allowed for uncollected or un collectable credit accounts,

4.04 Maintenance of Records for Examination. Tenant shall utilize, and cause to be utilized, car registers equipped with sealed continuous totals to record all cash sales, and Tenant shall keep o the Leased Premises for at least eighteen (36) months after expiration of each Lease Year, or Fra tional Lease Year, records conforming to spund accounting practices showing all of the Gross Sale made by Tenant or others, at, in, and upon the Leased Premises for such Lease Year or Fraction Lease Year, including all tax reports, spice slips, sales checks, bank deposit records and other su porting data. Within filteen (15) days after the end of each calendar month, or portion thereof, inclu-ed in the Lease Term, Tenant shall jurnish Landlord a statement, certified by one of Tenant's e ecutive officers or proprietors, of Goss Sales during such month or portion thereof; and on or befo April 1, or the end of Tenant's flach year for tax purposes, in each calendar year included in the Lear Term, and within sixty (60) days after the end of the Lease Term, Tenant shall turnish Landford statement which shall be estisfactory in scope and substance to Landlord, hereinafter called the "a nual statement", certified by in independent Certified Public Accountant, approved Landlord, of Gro-Sales during the preceding Lesse Year or Fractional Lesse Year. Landlord shall have the right fro time to itime by its accountants or representatives to audit all statements of Gross Sales and, in co nection with such audity, to examine all records (including all supporting dats) of Gross Sales, at Tenant shall make or cause to be made all such records readily available for such examination, any such sudit discloyed that the actual Gross Sales exceed those reported by more than 3%, Landlo shall, in addition to the foregoing rights have the right to treat such erroneous statement as a defait hereunder.

4.05 Payment of Percentage Rent. On or before the filteenth (15th) day after the expiration of suc Lease Year or Fractional Year Included in the Lease Term, and on or before the lifteenth (15th) di after the expiration or earlier termination of the Lease Term. Tenant shall pay to Landlord the p

Insert Page 2-A to Lease between The Novogroder Co., Inc. <u>As Agent and Ashley Stewart Brands, Inc.</u>

- 1. or any other lawful use approved by Landlord whose approval will not be unreasonably withhelld or delayed. (Not competing with other tenants in the Center).
- September 1, 1999

 2. If Landlord does not deliver the Tenant possession on Aguest 1, 1999 the Lease dates will be amended for this delay. In the event Landlord does not deliver possession by October 15, 1999 either party may cancel this Lease.
- 3. nor its visibility, access or parking availability
- 4. provided Landlord does not materially interfere with Tenant's use.
- 5. Landlord hereby agrees that he will not unreasonably withhold approval, for Tenant's Work.

COMMON AREAS and FACILITIES

-5.01 Common Areas and Facilities. Landlord shall make available from time to time such areas and facilities of common benefit to the Tanants and occupants of the Shopping Center as Landlord shall deem appropriate (herein referred to as the "Common Areas"). Landlord shall operate imanage, equip, light, insure, repair and maintain the common areas for their intended purposes in sucti manner as Landlord shall in its sole discretion determine and may from time to time change the size, location and nature of any common areas, and Landlord shall not be subject to liabilityly thereof, nor shall Tanant be entitled to any compensation, or diminution or abatement of rent, nor shall any such action be deemed an actual or constructive eviction of Tenant.

5.02 Use of Common Areas. Tenant and its permitted concessionaires, officers, employees, agents, customers and invitees shall have the non-exclusive right, in common with Landlord and all others, to whom Landlord has or may grant rights, to use the Common Areas as designated from time to time by Landlord, subject to such regulations as Landlord may from time to time impose, including the designation of the days and hours, the Common Areas shall be open and the designation of specific areas in which cars owned bi Tenant, its permitted concessionaires, officers, employees, and agents must be parked. If Landlord should designate such parking areas, and any car of Tenant or a permitted concessionaire, officer, employee or agent of Tenant, is parked in any other portion of the Shopp shall pay to t th car for each day, or part thereof, such car is perked-and Tenant hereby authorizes Landford to low or cause any such car to be towed from the Shopping Center and agrees to reimburse Landlord for the cost thereof, upon demand, and to otherwise idemnity and hold Landlord harmless with respect thereof. Tenant agrees to abide by such regulations and to use its best efforts to cause its permitted many at any time, close temporarily Common Areas to make repairs or changes or to discourage noncustomer parking, and may do such other acts to the Common Area as in its judgement may be destrable to improve the convenience thereof. Yenant shall upon request furnish to Landlord the license numbers and descriptions of the cars operated by Tenant and its permitted concessionaires, officers and employees. Tenant shall not at any time interfere with the rights of Landlord and other Tenants, its and their permitted officers, employees, agents, customers and invitees to use any part of the parking areas and other common areas.

5.03 Charge for Common Areas and Facilities. Tenant shall pay to Landford as additional rent in the manner provided in Section 5.05, Tenant's pro-rate share, as defined in Section 5.04 of "Common Area Maintenance Cost", which term is defined as follows:

'Common Area Maintenance Cost" is defined as all costs and expenses (except taxes covered by Section 8.01 (o) paid or incurred by Landlord during the Lease Term (including appropriate reserves) in operating, managing, equipping, policing (if and to the extent provided by Landlord), protecting, insuring, heating, cooling, lighting, ventilating, repairing, replacing, and maintaining the Common Areas of the Shopping Center. Such costs and expenses shall include but not be limited to: maintaining any enclosed Common Area; cleaning; removal of rubbish and other refuse; line painting; fire protection; exterior illumination of buildings and Common Areas and illumination and maintenance of signs, whether or not the lights or signs are located on the Shopping Center; snow and ice clearance; costs and expenses of planting, maintenance, replanting flowers and other landscaping; water and sewerage charges; premiums for liability, properly damage, fire, extended coverage, malicinus mischiel, vandalism, Workman's Com-pensation, employees' liability and other insurance paid by Landford on or in respect of the Shopping Center for any calendar or premium year or part thereof included in the Lease Term or any renewal term; wages; unemployment taxes; social security taxes; special assessments; personal property taxes; fees for audits; required licenses and permits; costs and expenses of supplies; operation of loudspeakers and any other equipment supplying music to the Common Areas; reasonable depreciation of, and rents paid for, the feasing of equipment used in the operation of the Common Areas, the administrative costs equal to kiloon percent (15%) of the total costs of operating and maintaining the Common Areas (except appropriate reserves): but costs of equipment chargeable to capital account and depreciation of the original cost of

constructing the Common Areas shall be excluded.

Tenant's Pro-Rate Share of Maintenance Coats. Tenant's pro-rate share of the Common Area maintenance costs shall be the ratio of the total floor area of the Leased Premises to the total floor area of all rentable space in the Shopping Center. "Floor Area" means with respect to any rentable area in the Shopping Center, including the Leased Premises, the square feet of floor space on all floors, therein, measured from the outside of all exterior boundary walls and the midpoint of any interior boundary walls. It shall not include the floor area of roof structures used for mechanical equipment or the Common Areas.

Payment of Estimated Charges and Periodic Adjustments. Tenant shall pay to Landlord in advance, on the first day of each calendar month during the Lease Term, the amount reasonably estimated by Landford as Tenant's pro-rate share of the Common Areas maintenance cost for such month. Landlord shall lurnish Tenant a regular annual statement of the estimated amount of such charges in advance of the due date.

The computation and payment of Common Area maintenance cost shall be based on annual semi-annual "Computational Periods" of consecutive calendar months on either a calendar or fiscal year basis as determined by Landlord. At the end of any Computational Period, Landlord shall furnish Tenant with a statement prepared in reasonable detail, in accordance with general accounting grinciples consistently applied, of the actual Common Area maintenance cost paid or incurred by Landford during such Computational Period and the Tenant's pro-rate share thereof for such period. Within thirty (30) days after receipt of the statement, there shall be a settlement between Landford and Tenant with payment to the Landford, or credit to the Tenant, as the case may be, so that the amount of Common Area maintenance cost paid by Tenant shall equal Yenant's pro-rata share thereof for such period as computed hereunder and no more. In the event the Lease Term covers only a portion of a computation period the pro-rate share of Tenant's Common Area maintenance cost for such period shall be adjusted in proportion to the amount of such period covered by the Lease Term.

ARTICLE VI

UTILITY SERVICES.

6.01 Retail Space. Tenant shall pay for all utilities used in the Leased Premises, including all electricity, gas, and water and sewer charge, and, at its own costs and expense and with its own equipment, shall heat or chill the water it uses to meet all of its own cost maintain said equipment in good working order during Lease Term. Landlord agrees that the Leased Premises shall be separately metered for gas and electric usage.

day through Friday, at its expense, in the area shown on Exhibit "A" as Office Space such heat-right, electricity and air conditioning, if any, as is commercially reasonable for normal office as shall promptly reimburse Lessor for its pro-rate share of the cost of all heat, light rectricity and air conditioning. Tenants pro-rate share will be determined by taking the entire heat, light, electricity and air conditioning bill for the period, dividing the amount thereof by the letal net teasable area of the

air conditioning bill for the period, dividing the amount thereol by the trail not teasable area of the Shopping Center, and multiplying the dividend thereol by the number of square feet occupied by the Tenant. Such amount shall be remitted by Tenant to Lessor which Five (5) days of its receipt of an invoice therefor, which shall for all purposes hereunds be deemed to be additional rent.

6.03 Water, Lessor shall provide water for all squeed upon or allowed uses hereunder. Tenant shall promptly reimburse Lessor for its pro-rate share of the cost of all such water. Tenants pro-rate share shall be determined by taking the entire water bill for the period, dividing the amount thereol by the total net leasable area of the Spepting Center, and multiplying the dividend thereof by the number of square feet occupied by Tenant. Such amount shall be remitted by Tenant to Lessor within five (5) days of its receipt of an invoice therefor, which shall for all purposes hereunder be deemed to be additional reper.

be additional reper.

6.04 Janitorial Services. Lessor shall also provide janitorial services as are commercially reasonable Sald infiliorial services shall not include replacement of soap, towels, toket paper or similar materials

ARTICLE VIII

TENANTS ADDITIONAL CONVENANTS.

8.01 Affirmative Covenants, Tenant covenants, at its expense, at all times during the Lease Term and such further time as Yanant occupies the Leased Premises or any part thereof:

(a) To perform promptly all of the obligations of Tenant as set forth in this Lease, including the

obligation to pay when due all rent and all charges, rates and other sums which by the terms of this *See Belot lease are to be paid by Tenant. Payment of all such amounts shall be paid to:

or to such persons at such other places as Landford may designate in written notice to Tenant from

(b) To use the Leased Premises only for the Permitted Uses specified in Section 1.06, to operate its business in the Leased Premises under Tenant's Trade Name as set forth in Section 1.01; and to conduct its business at all times in a high grade and reputable manner so as to produce the reasonable maximum volume of sales and transactions and to help establish and maintain a high reputation for the Shopping Center.

(c) Except when and to the extent that the Leased Premises are untenantable by reason of damage by fire or other casualty, to use and continuously operate for retail sales purposes all of the Leased Premises other than such minor portions thereof as are reasonably required for storage and office purposes; to use such storage and office space only in connection with the business conducted by Tenant in the Leased Premises; to furnish and install all trade fixtures, which shall at all times be suitable and proper for carrying on Tenant's business; to carry a full and complete stock of seasonable merchandise offered for sale at competitive prices; to maintain adequate trained personnel for effi-cient service to customers; and to open for business and remain open for the customary business hours during all regular and usual business days during the entire Lease Term; and to light its display windows and signs, if any, during any hours when either the Shopping Center or the Leased Premises are open for business are open for business.

(d) To store in the Leased Premises only such merchandise as is to be offered for sale at retail within a reasonable time after receipt; to store all trash and refuse in adequate ccontainers within the Leased Premises and to maintain such containers in a healthy, safe, neat and clean condition and in a location so as not to be visible to members of the public shopping in the Shopping Center, and to attend to the daily disposal thereof in the manner designated by Landlord; to keep all drains inside the Leased Premises clean, to receive and deliver goods and merchandise only in the manner and at such times and in such areas, as may be designated by Landlord; and to conform to all fuls! and regulations which Landlord may make in the management and use of the Shopping Center requiring such conformance by Tenant and Tenant's employees. If the Lessed Premises are used for the sale of food for consumption therein, such as for a restaurant or snack bai. Tenant shall store all trash, refuse and garbage in a garbage storeroom or compartment which Tenant shall install and keep in repair at its sole expense.

(e) Except for repaired required to be performed by Landford pursuant to Section 7.01 to keep the Leased Premises, including but not limited to, the fire protection and sprinkler system, the securiby screen or wall (store front), condition (including all necessary painting and decorating) and to keep all glass, including that in windows, doors, fixtures and skylights, clean and in good condition, and to replace any glass which may be damaged or broken with glass of the same quality, damage by fire or other casualty covered by Landlord's insurance excepted.

(f) To make all repairs, alterations, additions or replacements to the Leased Premises, required by any law or ordinance or any order or regulation of any public authority; to keep the Leased Premises equipped with all safety appliances so required; to produce any licenses and permits required for any use of the Leased Premises by Tenant; and to comply with the orders and regulations of all governmental authorities.

(g) To pay promptly when due the entire cost of any work in the Leased Premises undertaken by Tenant so that the Leased Premises shall at all times be free of lians for labor and materials; to produce all necessary work permits before undertaking such work; to do all of such work in a good and workmanlike manner, employing materials of good quality; to perform such work only with contrac-tors previously approved of in writing by Landlord; to perform such work with union labor to the extent and in such manner as to ensure proper maintenance of good labor relationship; to comply with all governmental requirements relating to such work; and to save Landlord and Landlord's beneficiaries and agents harmless and indemnified from all injury, loss, claims or damage by any person or property occasioned by or growing out of such work.

ty occasioned by or growing out of such work.

(h) /To save Landlord, Landlord's beneficiarles and agents and their respective successors and assigns, harmless and indemnified from all injury, loss, claims or damage to any person or property while on the Leased Premises or any other part of the Shopping Center occasioned by any act or omission of Tenant, or anyone claiming by, through or under Tenant.

(i) To maintain, in responsible companies approved by Landlord, public liability insurance, insuring Landlord, Landlord's beneficiaries and agents, Tenant and the holders of any notes secured by the property of the p

ang Landlord, Landlord's penerictaries and agents, Tenant and the noticers of any notes secured by a first mortgage or Trust Deed on the Shopping Center and for the Leased Premises, as their interests may appear, against all claims, demands or actions for injury to or death of any one person in an amount of not less than \$500,000.00 and for an injury to or death of more than one person in any one accident in an amount of not less than \$1,000,000.00 and for damage to property in an amount of not less than \$1,000,000.00 and for damage to property in an amount of not less than \$1,000,000.00 and for damage to property in an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or an amount of not less than \$1,000,000.00 and for damage to property or a of not less than \$150,000.00 made by or on behalf of any person, firm or corporation, arising from, related to, or connected with the conduct and operation of Tenant's business in the Lessed Premises relation to, or connected with the conduct and operation or remark a pulsates in the Leased Premises (Landlord shall have the right to direct Tenant to increase such amounts whenever it considers them intagequately and in addition and in like amounts, covering Tenant's contractural little the hold harmless clause set torth in Subsection 8.01 (h); to carry like coverage against loss or damage by boiler or compressors, if there is a boiler or compressor in the Leased Premises; to maintain plate glass insurance severing all extensor plate glass in the Located Reambers and fire insurance with such extended coverage endorsements as Landford may from time to time require covering all of Tenant's stock in trade, fixtures, turniture, lumishings, floor coverings and equipment in the Leased Premisea to the extent of at least eighty percent (80%) of their replacement cost. All of said insurance shall be in the form and in responsible companies satisfactory to Landford and shall provide that it will not be subject to cancellation, termination or change except after at least thirty (30) days prior to written notice to Landlord. The policies or duly executed certificates for the same (which certificates shall evidence the insurer's respective walvers of subrogation), together with satisfactory evidence of the payment of the premiums thereon, shall be deposited with Landlord on the day Tenant begins Tenant's Work, and upon renewal of such policy, not less than thirty (30) days prior to the expiration of the term of such coverage; and that if Tenant falls to comply with such requirements, Landlord

thereof upon demand as additional rent. [j]7 Landlord, and Landlord's beneficiaries, their agents and employees, shall not be liable for, and Tenant waives all claims for, damage to person or property sustained by Tenant or any persons claim-Tenant waves an cleams for, using the persons or property sustained by tenant or any persons cleaming through Tenant resulting from any socident or occurrence in or upon the Leased Premises or the building of which they shall be a part, or any part of the Shopping Center, including but not limited to, claims for damage resulting from (1) any equipment or appurienances becoming out of repair, (2) Landlord's failure to keep said building or the Leased Premises in repair, (3) injury done or occasioned by wind, water or other natural element, (4) any defect in or failure of plumbing, heating or air conditioning equipment, electric wiring or installation thereof, gas, water and steam pipe, stairs, railings or walks, (5) broken glass, (6) the backing-up of any sewer pipe or downspout, (7) the bursting, leaking or running of any tank, tub, washstand, water closet, waste pipe, drain or any other pipe or tank in, upon or about such building or Leased Premises, (6) the escape of steam or hot water, (9) water, snow or ice being upon or coming through the roof, skylight, trapdoor, stairs, walks or other places upon or open such building or the Leased Premises or thereins (10) the falling of the distance of the pipe of the state of the places. upon or near such building or the Leased Premises or otherwise, (10) the falling of any fixture, plaster or ceiling material, and (11) any act, ommission or negligence of co-tenants, or of other persons or

may obtain such insurance and keep the same in effect, and Tenant shall pay Landlord the premium

their agents or employees. (k) To permit Landlord, Landlord's mortgages and their respective agents to enter the Landed termines at reasonable limes to the oursers of landed.

occupants of said building or of adjoining or contiguous property or of Landford, Landford's beneficiaries,

Insert Page 3-A to Lease between The Novogroder Co. Inc., As Agent and Ashley Stewart Brands, Inc.

- 1. Provided, however, Landlord shall not cause Tenant's access, visibility or parking availability to be substantially diminished.
- 2. five percent (5%).
- 3. Landlord hereby certifies that the Tenant's pro rata share of Common Area Maintenance costs will initially be \$ 310.00 per month. Furthermore Landlord agrees that Tenant's share shall not increase by more than seven percent (7%) from any year to the next.
- 4. Landlord shall also be responsible for all maintenance and repair necessary to the mechanical, plumbing and electrical systems serving the Leased Premises through October 30, 1999.
- 5. Notwithstanding the foregoing, Tenant shall be entitled to require a non-disturbance agreement as a condition to any subordination.
- 6. or any new trade name which Tenant establishes for its Illinois locations.
- 7. In no event shall Tenant be required to remain open for more than seven (7) hours per day six (6) days per week.
- 8. reasonable and non-discriminatory.
- Except to the extent caused by the negligent acts or willful misconduct of the Landlord, its agents, contractors or employees.
- by the standards of the industry.
- 11. Except to the extent caused by the negligent acts or willful misconduct of the Landlord, its agents, contractors or employees.
- 12. and upon reasonable notice

(i) To peacefully and quietly vacate the Leased Premises اسبراء, termination of this Lease whether y lapse of time or otherwise and remove, at the termination of this Lease, such Tenant's goods and effects as are not permanently affixed to the Leased Premises; to remove such of the attentions and additions made by Tenant as Landerd mercoguery, to repair any damage caused by such removal; and paccerably to yield up the Leased Premises and all alternations and additions thereto (except such as Landlord has requested Tenant to remove) and all fixtures, furnishings, floor coverings and equipment which are permanently affixed to the Leased Premises, which shall thereupon become the pro-perty of Landlord, clean and in good order, repair and condition, damage by fire, or other unavoidable

perty of Landlord, clean and in good order, repair and condition, damage by tire, or other unavoidable casualty excepted. Any personal property of Tenant not removed within five (5) days following such termination shall, at Landlord's option, become the property of the Landlord.

(m) If the mortgages or trustee named in any First Mortage or Trust Deed hereafter placed upon the Shopping Center or any part thereof, or upon any portion or all of the Shopping Certier and other property, shall efect, by written notice to Tenant, to subject and subordinate the rights and interests of the Tenant under this Lease (in whole or in part) to the llen of its Mortgage or Trust Deed, the rights and interests of Tenant under this Lease shall be so subject and subordinate, provided that the mortage are trusted shall except by the Lease of Tenant under this Lease (in the conduct this Lease (In the mortage of the trustee shall be so subject and subordinate, provided that the mortage of the trustee shall be provided. Igages or trustee shall agree, in said notice to recognize this Lease of Tenant in the event of foreclosure If Tenant is not in delault. Any mortgages or trustee may, in the alternative, elect to give some or all of the rights and interest of Tenant under this Lease priority over the lien of its Mortgage or Trust Deed. The election of such Mortgages or Trustee shall be binding upon Tenant whether this Lease is dated prior to or subsequent to, the date of said Mortgage or Trust Deed. Tenant shall execute and deliver whatever instruments may be required for such purposes, and in the event Tenant falls to do so within ten (10) days after demand in writing. Tenant does hereby make, constitute and irrevocably appoint Landiord as its attorney in fact and in its name, place and stead so to do.

(n) To promptly become a member of, and at all times maintain membership in any merchants speciation of the Tenant's and/or occupants in the Shopping Center in the event such an association is formed by Landlord or a majority of tenants in the Shopping Center. Tenant hereby agrees to abide by the By-Laws, rules and regulations thereof, to use Tenant's best efforts to develop within such

in any joint promotional sales campaign put on by such association. Tenant agrees to pay Tenant's proportionate share of the promotional and other expenses of such merchant's association which are allocable to all the tenants in the Shopping Center in accordance with the By-Laws thereof from time to time in force and effect, and such association, as a third party beneficiary of this covenant between

Landlord and Tenant, shall have the right to proceed directly against Tenant to collect such share without the participation of Landlord in any such action. (12)

(o) To pay to Landlord, as additional rent hereunder, Tenant's pro-rata share of all real estate taxes. paid by Landlord on the Shopping Center for any calendar year or part thereof included in the Lease Term, Tenant's pro-rate share of real estate taxes shall be the ratio of the total floor area of the Leased Premises to the total floor area of all rentable space in the Shopping Center. Tenant's share shall be pro-rated in the event the Lease Term covers only a part of any tax year. The term "real estate as used in this Lease, shall mean all taxes and assessments, general, special and otherwise, levied, essessed or imposed at any time by any governmental authority upon or against the renials payable by tenants of the Shopping Center to the Landlord, either by way of substitution for the taxes and assessments levied, assessed or imposed against such land and/or improvements, or (other than an Income or franchise tax) in addition thereto. Tenant shall pay to Landlord in advance monthly installments one twelfth (1/12th) of the amount reasonably estimated by Landlord to be Tenant's prorata share of such assessment, real estate taxes and insurance premiums commencing on the first day of the calendar month next succeeding the Commencement Date, and this covenant shall survive the expiration or earlier termination of the Lease Term. Within ninety (90) days after the end of each Lease Year, Landlord shall compute the actual amount of Tenant's pro-rata share of the foregoing charges for such year and furnish to Tenant a statement in reasonable detail. Within (30) days thereafter, there shall be a settlement between Landlord and Tenant with payment to Landlord, or credit to Tenant, as the case may be, so that Tenant's actual payments shall be equal to Tenant's pro-rate share of such charges for such Lease Year and no more.

(p) To remain fully obligated under this Lease notwithstanding any assignment or sublease or any indulgence granted by Landlord to Tenant or to any assignee or sublessee.

To promptly turnish to Landlord, whenever requested, finantificancial condition. 3 ent financial condition.

(r) To give Landlord prompt written notice of any accident, fire or damage occurring on or to the eased Premises or the Common Area of which Tenant has knowledge.

Leased Premises of the Common Area to which Tollate has a territories and court costs, (s). To pay on demand Landlord's expenses, including reasonable shiftney's less and court costs, including the shiftney's less and court costs, including any default by Tenant as provided in Section 10.02, and in defending or participating in any legal proceedings initiated by or payable of Tenant wherein Landlord is not found to be in default hereunder.

To furnish, maintain and provide, at Tenant's sole cost and expensse the following insurance coverage for the benefit of the Landford and the Tenant, during the entire term of the Lease, if ap-plicable: figure flability insurance insuring against claims for personal injury, loss of means of support, death and property damage caused by the intoxication of any person who was either sold or given alcoholic beverages on or about Tenant's premises. The limitation of liability shall not be less than \$500,000.00 and such insurance shall name as insured the Landlord, Landlord's beneficiaries and agents, Tenant and the holders of any notes secured by a First Mortgage or Trust Deed on the Shopping Center and/or the Leased Premises, as their interest may appear. Such policy may be a blanket policy covering other locations and evidence of such insurance shall be delivered to Landlord upon demand, if Tenant falls tyo obtain such insurance or to maintain same in effect or to furnish Landlord with such evidence, Landlord shall have the right to obtain such insurance and to add the cost thereof to the rest then due or becoming due hereunder.

8.02 Negative Covenants. Tenant covenants at all times during the Lease Term and such further time as Tenant occupies the Leased Premises or any part thereof:

(a) Not to injure, overload, deface or otherwise harm the Leased Pramises; nor commit any nulsance; nor unreasonably annoy owners or occupants of neighboring property; nor use the Leased Premises for any extra-hazardous purpose, or in any manner will suspend, vold or make inoperative any policy for any extra-nazardous purpose, or in any manner will suspend, volu of make importance any points or policies of insurance of any kind generally in use in the State of Illinots, at any time carried on any improvements within the Shopping Center, or in any manner which will increase the cost of any of Landlord's insurance; nor burn any trash or refuse within the Shopping Center; nor without first receiving Landlord's prior written consent and providing the insurance required under Section 8.01 (i); sell, distribute or give away any product which tends to create a nuisance in the Common Areas, nor make any use of the Leased Premises which is improper, offensive or contrary to any law or ordinance or any regulation of any governmental authority; or conduct or permit any going-out of business, bankruptcy, fire or auction sales on the Leased Premises; nor use any advertising medium which might be annoying, such as hand bill, flashing lights, searchlights, loudspeakers, phonographs, sound amplifiers or radio or television receiving equipment in a manner to be seen or heard outside the Lassed Premises; nor load, unload or park any truck or other delivery vehicle in any area of the Shopping Center other than the area or areas designated therefor by Landford; nor use any aldewalks, wallways, mails or Common Areas in the Shopping Center for the storage or disposal of trash or refuse or the selling or displaying of any merchandise or other object, including but not by way of limitation, the use of any of the foregoing for any news stand, cigar stand, sidewalk shop or any other business occupation or undertaking (such latter uses being reserved to Landlord and its designees); nor place any lence, structure, barricade, building, improvement division rail or obstruction of any type or kind on any part of the Common Areas; nor use the Common Areas for any purpose other than the use designated by Landlord; nor install or use any sign or other advertising device on the exterior of the Leased Premises objections of the large state of

tions, ceilings or floors, nor permit the painting or placing of any exterior signs, placards or other advertising media, awnings, aerials, antennas, or the like, without on each occasion obtaining the prior written

sent of Landlord. 6 (c) Not to assign, sell, mortgage, pledge or in any manner transfer this Lease or grant any interest therein, by operation of taw or otherwise, or sublet or grant ilcense to use the Leased Premises or envoice with through or under it 7 f or normit occur now theref

ment of the Leased Premises. , damage shall promptly be repaired by Landford at Landford's a pense, provided that Landlord shall not be obligated to so repair if such fire, explosion or other casua is caused directly or indirectly by the negligence of Tenant, its agents servants or employees, a provided further that Landlord shall not be obligated to expend for such repair an amount in exce of the insurance proceeds recovered or recoverable as a result of such damage, and that in no evi shall Landford be required to repair or replace Tenant's stock in trade, fixtures, furniture, furnishing floor coverings and equipment, in the event of any such damage, and (a) Landlord is not requir to repair as hereinabove provided, (b) the Leased Premises shall be damaged to the extent of 6 percent (50%) or more of the cost of replacement, or (c) the building of which the Leased Premis is a part is damaged to the extent of twenty-five percent (25%) or more of the cost of replaceme or (d) all buildings (taken in aggregate) in the Shopping Center shall be damaged to the extent more than twenty-five percent (25%) of the aggregate cost or replacement, Landlord may elect eth more than twenty-rive percent (25%) of the aggregate cost or replacement, Lendord may elect eff to repair or rebuild the Leased Premises or the building or buildings or to terminate this Lease up giving notice of such election to Tenant within ninety (90) days after the occurrence of the event caring the damage. If the casualty, repairing, or rebuilding shall render the Leased Premises untent table, in whole or in part, and the damage shall not have been due to the default or neglect of Trannit, a proportionate abstement of the Minimum Rent shall be allowed from the date when the dame occured until the date Landlord completes the repairing or rebuilding, said proportion to be computent to the basis of the relation which the gross square footage area of the space rendered untenantal bears to the Floor Area of the Leased Premises, if Landlord is required or elects to repair the Lease Premises as berein provided. Tenat shall read or relate in trade, in trade, fiverers, furniture, furniture. Premises as herein provided. Tenant shall repelt or replace its stock in trade, fixtures, furniture, f nishings, floor coverings and equipment, and if Tenant has closed for business, Tenant shall prom ly re-open for business upon the completion of such repairs.

9.2 Eminent Domain, if the whole of the Leased Premises shall be taken by any public author

under the power of eminent domain, the Lease Term shall cease as of the day possession shall taken by such public authority and Tenant shall pay rent up to that date with an appropriate refu by Landlord of any rent which has been paid in advance for a period subsequent to the date poss sion is taken. If twenty-five percent (25%) or less of the Floor Area of the Leased Premises shall so taken, the Lease Term shall cease only on the parts so taken as of the day possession shall so taken by such public authority and Tenant shall pay rent up to that day with an appropriate returns. by Landlord of any rent which has been paid in advance for a period subsequent to the date poss-sion is so taken, and thereafter the Minimum Rent shall be equitably adjusted. Landlord shall at expense make all necessary repairs or atterations to the basic building and exterior thereof so as constitute the remaining premises a complete architectural unit; provided, that Landlord shall not obligated to undertake any such repairs or alterations if the total estimated cost thereof will exce the amount of the award with respect to the Leased Premises. If more than twenty-live percent (25 of the Floor Area of the Leased Premises shall be so taken, then the Lease Term shall cease of on the part so taken from the day possession shall be taken by such authority and Tenant shall t rent up to that day with an appropriate refund by Landford of any rent which has been paid in advafor a period subsequent to the date possession is so taken, and either party shall have the righ terminate this Lease upon notice in writing within ten (10) days after taking possession. In the ev Tenant remains in possession and Landlord does not so terminate, all of the terms herein providshall continue in effect, except that the Minimum Rent shall be equitably abated, and Landlord s' make all necessary repairs or alterations to the basic building and exterior thereof so as to constit the remaining premises a complete architectural unit; provided, that Landlord shall not be obliga to undertake any such repairs or alterations if the estimated cost thereof will exceed the amoun the award with respect to the Leased Premises, if more than twenty-live percent (25%) of the FI Area of the building in which the Leased Premises are located, or more than twenty-live percent (2): of the aggregate floor area of all the buildings in the Shopping Center shall be taken under the poof eminent domain, Landlord may, by notice in writing to Tenant, delivered on or before the day: rendering possession to the public authority, termminate this Lease, and rent shall be paid or refu ed as of the date of termination, All compensation awarded for any taking under the power of emir domain, whether for the whole or a part of the Leased Premises, shall be the property of Landiwhether such damages shall be awarded as compensation for diminution in the value of the leasef or to the fee of the Leased Premises or otherwise, and Tenant hereby assigns to Landlord all of nant's rights, title and interest in and to any and all such compensation provided, however, that Land shall not be entitled to any award made expressly to Tenant for the taking of Tenant's trade lixtu-furniture or leasedhold improvements to the extent of the cost of Tenant of said improvement. clusive of Landlord's contribution) less depreciation computed from the date of said improvem-to the expiration of the original term of this Lease.

ARTICLE X 11

ARTICLE X

TO CALVE TO THE AULTS by TENANT and REMEDIES

10.1 Defaulte by Tenant, Landford may, at its option, terminate this Lease it any default by Tenant. continues after notice, in case of non-payment of rent or any other payment provided to be m hereunder for more than two (5) days, or in case of any other default that Tenant does not cure wi 16-days of if Tenant makes any assignment for the benefit of creditors, commits any act of bankr cy, or files a petition under any bankruptcy or insolvency law; or if such a petition is filed against nant and is not dismissed within thirty (30) days; or if Tenant does not pay, after demand, any o liability to Landlord arising out of, or In connection with, the enertwotien or operation of the Shop, Center; or if Tenant faisities any monetary report to Landlord; or if a receiver or similar officer becoentitled to this Leasehold; or, if Tenant's Interest in this Lease is taken on execution or other proc of law in any action against Tenant; or if Tenant does, or permits to be done, any act which cre a mechanics lien or claim thereof against the Leased Premises of the Shopping Center and Tedoes not comply with the provisions of Section 8.2 (d). Upon such termination of this Lease, Land may re-enter the Leased Premises, with er without process of taw, using such force as may necessary, and remove all persons, fixtures, and chattels therefrom, and Landford shall not be if for any damages resulting therefrom; Landford, upon such repossession of the Leased Premises, r for any damages resulting therefrom; Landiord, upon such repossession of the Lassed Premises, it be entitled to recover as liquidated damages and not as a penalty, a sum of money equal to the viol the Minimum Rent, Percentage Rent them amount por year equal to the surerage yearly Pertage Rent therefolione pold by Tenant, or, if I andiord's repossession occurs prior to or during the Lasse Year, the amount of Percentage Rent that would have been payable at the end of such the It have not a few in the case Year (the amount of Percentage Rent that would have been payable at the end of such the surerage monthly (Gross Sales to the date of such repressession or projected to the et such Lasse-Year) and other sums. Upon the happening of any more of the above-mentioned evil Landford may repossess the Lassed Premises by Seroble entry or detainer suit, or otherwise with the most or collect or applied to the case of the projection of the above-mentioned evil Landford may repossess the Lassed Premises by Seroble entry or detainers suit, or otherwise with Landlord may repossess the Leased Premises by tereible entry or detainer suit, or otherwise wit demand or notice of any kind to Tenant (except as hereinabove expressly provided for) and wit terminating this Lease in which event Landlord may, but shall be under no obligation so to do, all or any part of the Lessed Premises for such rent and upon such terms as shall be satisfa-to Landlord (including the right to relet the Lessed Premises for a term greater or lesser than remaining under the Lesse Term, and the right to relet the Lessed Premises as a part of the it area, and the right to change the character or use made of the Leased Premises). Landlord for the purpose of such retetting, decorate and make any repairs, changes, atterations and addiin or to the Leased Premises that it may deem necessary or convenient. If Land the Lessed Premises, Tenant-shall pay to Landlord, on demand, as liquidated demages and n inally, a sum equal to the amount of the Minkmum Pant, Persentage Rent (in eount of the Minimum rient; a transit, or, it Landford's reportings Rent therefore paid by Tenant, or, it Landford's reportings. Rent that would on occurs prior to or during the first Losse Year, the se payable at the end of such Lease Year If the everage monthly Gross Sales to Her the remainder of the Lease Term, If the Leased Premises are relet and a sufficient shall not be realized from such reletting after paying all of the expenses of such decorations, re-changes, alterations, additions, the expenses of such reletting and the collection of the rent acc therefrom to satisfy the total rent herein provided to be paid for the remainder of the Lesse 1 Tenant shall pay to Landlord, on demand, any deficiency; and Tenant agrees that Landlord may, time to time, file sult to recover any sums falling due under the terms of this section. Landlord is to given a first lien upon all property of Tenant, including but not limited to, all trade flatures, which come in or be placed upon the Leased Premises, and whether sequired by Tenant before or the date hersel, to secure the payment of rent and the perfermance of seeh and every ether sev-hersin contained to be perfermed by Tenant. The rights and remedies herein contained and res

Insert Page 4-A to Lease between The Novogroder Co., Inc. <u>As Agent and Ashley Stewart Brands, Inc.</u>

- 1. Landlord may desire
- 2. Landlord certifies that Tenant's initial pro rata share of real estate taxes will be \$ 1,525.00 per month.
- in connection with a sale or refinancing.
- 4. except in connection with sidewalk sales which shall be permitted at least twice per year,
- 5. Landlord will not unreasonably withhold approval for Tenant's standard signage subject to all Governmental approvals. Tenant shall also be entitled to maintain a sign on the existing pylon, if allowed by Governmental authorities.
- 6. Tenant shall however be permited to maintain its customary door and window signage regarding hours, sales, credit cards, etc.
- 7. except with Landlord's prior written consent which shall not be unreasonably withheld, and except as indicated on the attached rider.
- 8. thirty (30) days after
- 9. or such longer period as may be reasonably necessary to complete a cure
- 10. and after ten (10) days' written notice
- 11. for which, Tenant shll be permitted to seek a separate award for damages.
- 12. and further provided that Tenant shall only be required to join such association if at least 80% of the other tenants have joined such association and all fees are capped at 5% over the prvious years increases.

smount; (b) that should the Lessed Premises be conveyed by L. rd, the Security Deposit or any balance thereof may be turned over to Landford's grantee, and if the same be turned over, as aforesaid, Tenant hereby releases Landlord from any and all liability with respect to the Security Deposit and its application or return, and Tenant agrees to look solely to such grantee for such application or return; (c) that Landlord or its beneficiaries shall not be obligated to hold the Security Deposit as a separate fund, but may commingle it with other funds, (d) that if Tenant shall faithfully perform all of the covenants and agreements in this Lease contained on the part of Tenant to be performed, the Security Deposit, or any then remaining balance thereof, shall be returned to Tenant, without interest, within thirty (30) days after the expiration of the Lease Term; and (e) that nothing herein shall be construed to limit the amount of damages recoverable by Landlord or any other remedy of Landlord to the Security

ARTICLE XI

MISCELLANEOUS PROVISIONS

11.1 Mutual Walver of Subrogation Rights. Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease in connection with the Leased Premises or the building in which the Leased Premises are located, and (b) such party is then covered in whole or in part by insurance with respect to such toss, cost, damage or expenses, then the party so insured hereby releases the other party from any liability it may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance, and waives any right of subrogation which might otherwise exist in or accure to any person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the cost thereof (provided, taht in the case of increased cost; the other party shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereupon keeping such release and waiver in full force and effect).

11.2 Notices From One Party to the Other, All notices, demands and requests required or permitled under his Lease shall be in writing. All notices, demands and request shall be deemed to have been properly given when served personally or deposited in a Post Office or branch Post Office regularly maintained by the United States Government, Certified Mail - Return Receipt Requested - with postage prepaid; addressed to Landlord at the address appearing in Section 1.1 (a) and addressed to Tenant at the Leased Premises as stated in Section 1.1 (b). At any time when the Tenant's interest herein shall be vested in more than one person, firm or corporation, notice shall be conclusively deemed to have been given to all such persons, lirms and corporations. Any notice, demand or request given by Tenant to the Landlord shall be ineffective unless all such persons, firms or corporations shall have previously given notice to the Landlord, signed by each of them, designating one or more of them.

to give the notice, demand or request referred to.

11.3 Brokerage. Tenant warrants that it has no dealings with any broker or agent in connection with this Lesse other than Landford's broker, if any, and covenants to pay, hold harmless and indemnity Landlord from and against any and all cost, expense or liability for any compensation, commissions and charges claimed by any other broker or agent with respect to this Lease or the negotiation thereof. 11.4 Relationship of the Parties. Nothing contained herein shall be deemed or construed by the parties nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant. Whenever herein the singular number is used, the same shall include the plura, and the neuter gender shall include the masculine and feminine genders.

11.5 Estoppel Certificates. At any time and from time to time, Tanant agrees, upon request in writing from Landlord, to execute, acknowledge and deliver to Landlord a statement in writing certifying that this Lesse is unmodified and in hill force and effect (or if there have been modifications that the same is in full force and effect as modified and staling the modifications), the dates to which the Minimum Rent, Percentage Flent, and other charges have been paid, and any other factual data relating to this Lease of the Leased Premises which Landford may request.

11.6 Short Form Leace. Tenant agrees not to record this Lease, and Landford and Tenant agree to execute, acknowledge and deliver, if party shall so request, a "Short Form Lease" suitable for

11.7 Interest on Unpaid Amounts. All amounts owed by the Tenant to the Landlord hereunder, shall be deemed to be additional rent and shall, unless otherwise provided herein, be paid within ten (10) days from the date the Landlord renders statements of account thereof. All amounts (including Minimum Rent and Percentage Rent) shall bear interest from the date due until the date paid at the rate of eighteen percent (18%) per annum until paid,

or at a rate permitted by applicable law, whichever is lower.

IN WITNESS WHEREOF, the Landlord and Tenant have duly executed and delivered this Lease between them, as of the date first above set forth.

11.8 Applicable Law and struction. The law of the State of illinots shall govern the valk performance and enforcement of this Lease. The invalidity or unenforceability of any provision of Lease shall not effect or impair any other provision. The headings of the several Articles and Secticontained herein are for convenience only and do not define, limit or construe the contents of a Articles or Sections.

11.9 Delays. Whenever a period of time is provided in this Lease for Landlord to do or perform act or thing, Landlord shall not be liable or responsible for any delays due to strikes, lockouts, casualt acts of God, war, governmental regulation or control or other causes beyond the reasonable con of Landlord/and the time for performance specified herein shall be extended for the amount of t Landlord is so delayed.

11.10 Execution of Lease by Landlord and Tenant. Except as stated in this Lease, no emplo or agent of Landlord, or of Landlord's broker, if any, has the authority to make or execute a le or any other agreement or undertaking in connection herewith. The submission of this document examination and negotiation does not constitute an offer to lease, or a reservation of, or option the Lessed Premises, and this document will become effective and binding only upon execution : delivery by Landlord and Tenant. All negotiations, considerations, representations and understands between Landtord and Tenant are incorporated herein and may be modified or altered only by agriment in writing between Landtord and Tenant and no act or omission of any employee or agen Landlord or of Landlord's broker, if any, shall alter, change or modify any of the provisions here 11.11 Binding Effect of Lesse, Assignment by Landlord. The covenants, agreements and oblitions herein contained, except as herein otherwise specifically provided, shall extend to, bind a inure to the benefit of the panies hereto and their respective personal representatives, heirs, a cessors and assigns. Landlord, at any time and from time, to time, may make an assignment of interest in this Lease and, in the event of such assignment and the assumption by the assigness the covenants and agreements to be performed by Landford herein, Landford and its successors a assigns (other than the assignee of this Lease) shall be released from any and all liability hereund 11.12 Joint and Several Liability of Tenant, if there is more than one party tenant, the covena of the Tenant shall be the joint and several obligations of each party, and if the Tenant is a partn ship, the covenants of the Tenant shall be the joint and several obligations of each of the partnand the obligations of the firm,

of any court of record in this State, to be his true and lewful attorney for him and in his rating a stead, to enter his appearance in any suit or suits that may be brought in any-count of this State any time when any money is due hereunder for rent or otherwise, to waive the issuance of proce any time when any money is due hereunder for rent or otherwise, to wative the issuance of processed service therof and trial by jury or otherwise, and to contrate a judgment or judgments for su money so due and for costs of suit and for reasonable altiorney's fees in favor of Lessor, and to release all errors that may occur or intervene to excel proceedings, including the issuance of execution up such judgment, and to stipulate that no writ of error or appeal shall be prosecuted from such jument or judgments, nor any bill inquity filled, nor any proceedings of any kind taken in law or equito interfers in any way with the operation of such judgment of judgments or of execution issued there

consent that execution may immediately tasce thereon: censellation. If any lending institution shall require a chi condition to extending financing on the security of the Shopping Center or this Lease other than increase the rent or other sums payable by Tenant or to after the take Term or restrict Tenar use of the Leased Premises, and if Tenant refuses to spice thereto, Landlord may terminate the Lea upon ninety (90) days advance notice to Tenant, in which event Landlord shall reimburse Tenant the cost of all Tenent Improvements and expenses of moving Tenant's stock and trade fixtures os of 25 miles from the Chopping Cente

11.15 Counterparts. This Lease may be executed in one or more counterparts, but all such count

parts shall be one and the same single instrument.

11.16 Late Charges. In the event Tenant falls to pay to Landlord when due any installment of ren or other sum to be paid to Landlord which may become due hereunder, Landlord will incur addition expenses in an amount not readily escertainable and which has not been elsewhere provided for b ween Landlord and Tenant. If Tenant should fail to pay to Landlord when due any installment of ren or other sum to be paid hereunder, Tenant will pay Landlord on demand a late charge of five perci (5%) of such installment or other sum overdue in any month (with a minimum charge of \$50.00 any one month) and live percent (5%) each month thereafter until paid in tuit. Patture to pay as late charge upon demand therefor shall be an event of default hereunder. Provision for such late chail shall be in addition to all other rights and remedies available to Landlord hereunder or at law or equity and shall not be construed as liquidated damages or limiting Landford's remedies in any mann

LANDLORD:
THE NOVOGRODER COMPANIES, INC. As Managing Agent for CI CERO COMMONS By
George Novogroder, President
TENANT: ASHLEY STEWART BRANDS, INC.
Ву
Joseph J. Sitt Its: President

Insert Page 5-A to Lease between The Novogroder Co., Inc. <u>As Agent and Ashley Stewart Brands, Inc.</u>

- 1. or Tenant
- 2. or Tenant
- 3. or Tenant
- 4. or Tenant
- 5. within ten (10) days after the date

PANELS Exhibit A" RESTRUONS 12 BACK De-GAS 15× 6 METERS RADIO SHACK Menning Charl Approx. 500 sq F# to RADIO . SHACK .. CICERO COMMONS

RIDER TO LEASE DATED JUNE 8, 1999 BETWEEN ASHLEY STEWARD BRANDS, INC., (TENANT)

and

NOVOGRODER. COMPANIES, INC., As Managing Agent for CICERO COMMONS (LANDLORD)

OPTION TO EXTEND LEASE TERM and ADJUSTED MINIMUM RENT

Option to Extend Lease Term. Landlord grants Tenant an option to extend the Lease Term for one "Renewal Term" of five years. During the Renewal Term, the Minimum Rent shall be adjusted to the rate of *see below, per annum, but in all other respects the provisions and terms hereof shall apply to such Renewal Rents. In the event Tenant elects to extend this Lease for any Renewal Term pursuant to this Rider, Tenant shall give written notice to Landlord not later than one hundred eighty days (180) prior to the commencement date for the Renewal Term with respect to which such option is being exercised by Tenant.

ONE 5-YEAR OPTION

February 1, 2005 through January 31, 2006	\$4,292.00 Per Month
February 1, 2006 through January 31, 2007	\$4,420.00 Per Month
February 1, 2007 through January 31, 2008	\$4,553.00 Per Month
February 1, 2008 through January 31, 2009	\$4,680.00 Per Month
February 1, 2009 through January 31, 2010	\$4,830.00 Per Month

Annual rent is twelve times monthly rent.

RIDER TO LEASE BETWEEN NOVOGRODER COMPANIES, INC., AS LANDLORD AND ASHLEY STEWART BRANDS, INC., AS TENANT, DATED AUGUST 1999, FOR PREMISES AT CICI RO COMMONS, CICERO, ILLINOIS.

Additional Lease Provisions

The following additional provisions are hereby incorporated into the Lease as though fully set forth therein. In the event of any conflict or inconsistency between the terms of the Lease, all exhibits thereto and the terms of the following provisions, the terms of the following provisions shall be controlling. Any reference within the Lease to specific provisions herein is for convenience only, and shall have no bearing upon the weight accorded to those provisions herein to which specific reference is not made.

I

Commencement Date

I-1 Commencement Date

The Lease term shall commence upon ninety (90) days after the Landlord turns over possession of the Premises to the Tenant.

I-2 Dead Periods

Intentionally Omitted.

I-3 Tenant Cancellation Date

Intentionally Omitted.

I-4 Lease Year

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

II

Use and Operation

II-1 Permitted Use/ Tradename

Tenant may use the Leased Premises for the display and retail sale of ladies, children's, infant's, male and female apparel, furnishings and accessories, lingerie, perfume, health and beauty aids, handbags, shoes,

scarves, cosmetics, wigs and costume jewelry (including precious metals), gifts and boutique items. Tenant may perform alterations on apparel sold at the Leased Premises.

Ternant may change its tradename at any time throughout the term of this Lease without Landlord's consent provided such tradename is used by a majority of Tenant's stores in the State of Illinois or such change is to one of the following trandnames: (1) 100% girls; (2) The Essence of Body & Soul; (3) Marianne; or (4) Kids pot.

II-2 Liours of Operation

Intentionally Omitted

II-3 Winclow Lighting Requirements

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

II-4 Go Dark Right

Intentionally Omitted

II-5 Tenant's Kickout Option

Intentionally Omitted

II-6 Continuous Operations

Notwithstanding anything in this Lease to the contrary, it is understood and agreed that Tenant may, in its sole discretion, at any time cease to conduct business in the Leased Premises, and such closing shall not constitute a default under this Lease.

III

Gross Sales

III-1 Gross Sales Exclusions

Intentionally Omitted
III-2 Landlord's Right to Audit

Intentionally Omitted

III-3 Method of Maintaining Business Records and Recording Sales

Intentionally Omitted.

IV

Common Area Expenses

IV-1 Exclusions from Common Area Expenses

Common Area Expenses shall not include (i) the initial cost of any construction of the Shopping Center or any part thereof; (ii) costs for any items which under generally accepted accounting principles would be capitalized, depreciated, or amortized, except for parking lot resurfacing (whether or not said items are

leas ed, financed and/or purchased); (iii) salary, employee benefits and payroll taxes for off-site, executive or managerial personnel, support staff and office expenses; (iv) brokerage fees and commissions incurred in connection with the sale or leasing of space in the Shopping Center; (v) such portion of any expense for which Landlord is entitled to reimbursement by insurance proceeds, condemnation awards, other tenants, or any other source; (vi) cost of performing additions, alterations, improvements or individual services for other tenants or vacant or vacated space (including, but not limited to, the repair and/or replacement of the roof over all tenant premises); (vii) any payment required in connection with any debt or ground lease encumbering the Shopping Center, (viii) any amounts not actually expended, such as contingency funds, reserve funds or sinking funds; (ix) costs and expenses of enforcing lease provisions against other ten ants in the Shopping Center, including legal fees; (x) expenses resulting from a violation of Landlord of the terms of any lease of space in the Shopping Center or of any ground lease or mortgage to which this Lease is subordinate; (xi) Intentionally Omitted; (xii) costs attributable to any exterior building painting; (xiii) all costs associated with the removal and clean up of hazardous wastes and toxic substances unless the hazardous waste and toxic substances were generated by Tenant, its agents or emplyees; (xiv) costs associated with one or a specific group of tenants from which all tenants do not benefit (including, but not limited to, the food court); (xv) extra electricity 1/2 hour after Tenant's normal store hours (xvi) services which are sales promotion related (i.e., customer service desk, music and holiday decor); (xvii) mark-up on utilities bought in bulk and distributed to Tenants; (viii) construction of barricades for vacant stores; (ixx)Intentionally Omitted; (xx) any portion of time of on-site management that relates to real estate activities of the Landlord and Tenant relations; and (xxi) all management fees.

Landlord represents that there shall be no additional overhead, managerial, administrative or supervisory cost or expense in excess of the five (5%) percent administrative fee as described herein for the operation and maintenance of the Common Areas of the Shopping Center and such administrative fee shall be applicable with respect to Common Area Expenses only and shall exclude with respect to Common Area Expenses any and all costs associated with Taxes, Insurance, and utilities and service contracts for work which could be performed by an in-house staff, if any. In addition, Landlord shall include the seating area of the food court, if any, in the computation of the gross leasable area of the shopping center.

IV-2 Services Performed by Affiliates

The charges for any services provided by affiliates, related or designated parties of Landlord which are included in Common Area Expenses or any other charge payable by Tenant to a party designated by Landlord shall be reasonable, customary and competitive with charges for similar services of independent contractors in the area where the Shopping Center is located. If a service is performed by an affiliated company of the Landlord, the billing shall not include any profit or administrative charge. In the event Landlord shall contract for any services on behalf of Tenant and/or other tenants in the Shopping Center, such contract(s) shall be at locally competitive rates and proportionate to Tenant's actual use of such services.

IV-3 Right to Audit

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

IV-4 No Duplication

There shall be no duplication of costs, charges or expenses anywhere in this Lease, including, without limitation, charges for utilities, advertising, HVAC, Insurance, Taxes, Common Area Expenses or deprecation. Furthermore, Landlord covenants and agrees that there will be no additional overhead, administrative, management or supervisory costs other than those contained in the five (5%) percent administrative; charge for operating and maintaining the Common Area pursuant to this Lease.

IV-5 Overpayment During Final Lease Year

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

IV-6 Income Applied to Common Area Expenses

Before computing Tenant's pro-rata share of Common Area Expenses, Landlord shall be required to deduct income derived from the following: (i) tenants who pay separately for Common Area Expenses; (ii) parking fees; (iii) kiosk rentals and charges; (iv) stroller rentals; (v) shuttle bus charges; (vi) promotional events; (vii) sale of lottery tickets; (viii) locker rentals; (ix) Intentionally Omitted; (x) excess common area maintenance charged to food court tenants; and (xi) other services provided by Landlord for which Landlord receives a fee.

IV-7 Cap On Increases / Representation of Charges

Any increase in Common Area Expenses payable by Tenant shall be at a rate equal to the lesser of (i) the actual increase or (ii) seven (7%) percent of the previous year's Common Area Expenses. Landlord represents that Tenant's Common Area Expenses, and all other items of additional rent, except for Taxes, for the first Lease Year shall not exceed \$1.00 per square foot.

V

Taxes

V-1 No Penalties

Real estate taxes payable by Tenant as provided for herein ("Taxes") shall not include any interest or penalties imposed by the assessing authority except if arising as a result of Tenant's late payment of Tenant's proportionate share thereof.

V-2 Unimproved Land

Taxes allocable to the Shopping Center shall not include taxes on any unimproved parcels of land.

V-3 Installment Payments

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

V-4 Refund and Abatements

If Landlord shall obtain a refund or abatement of any Taxes to which Tenant contributes, Landlord shall refund to Tenant its proportionate share thereof less Tenant's proportionate share of Landlord's reasonable

costs of obtaining same. In no event shall Tenant be liable for such costs unless there shall be a net savings to Tenant.

V-5 Exclusion

Taxes shall not include any corporate, personal property, franchise, capital levy, inheritance, transfer or income tax levied on Landlord.

VΙ

Maintenance, Repairs, and Alterations

VI-1 Landlord's Repairs

Intentionally Omitted

VI-2 Tenant's Right to Cure

If Landlord has not commenced repairs or maintenance required to be performed by Landlord hereunder to the Premises within seventy-two (72) hours after notice thereof from Tenant, or if so commenced, is not diligently pursuing same to completion, Tenant shall have the right, but not the obligation, to make such repairs and Landlord shall reimburse Tenant for the reasonable cost thereof within fifteen (15) days after receipt of a bill therefor from Tenant.

VI-3 Structural Alterations

Intentionally Omitted.

VI-4 Tenant's Permitted Alterations

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

VI-5 Display Clause

Notwithstanding anything contained in the lease to the contrary, Tenant may use such displays and fixtures in the premises as Tenant deems desirable.

VI-6 Surrender of Leased Premises

Intentionally Omitted.

VI-7 Landlord's Representation

Landlord represents and warrants that as of the date the Leased Premises is delivered to Tenant that all utilities, plumbing, sprinkler, HVAC and electrical systems are all in good working order. In addition, the roof is free from leaks and there are no structural defects in the Leased Premises or the Shopping Center. Also, there are no violations filed against the Leased Premises or the Shopping Center which would prevent Tenant from obtaining any permits or approvals required in connection with the performance of

any work at the Leased Premises or the Shopping Center. Landlord further represents that the Leased Premises are free of vermin and termites.

VII

Premises Integrity

VII-1 Kiosks

Landlord shall not construct or place a kiosk or other improvement or obstruction, whether permanent or temporary, in any portion of the area created by extending Tenant's side lease lines across the entire width of the enclosed mall, or if the Shopping Center is not an enclosed mall, for a distance of 75 feet.

VII-2 Modifications to the Shopping Center

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

VII-3 Interference with Operation

If as a result of:

- (a) Landlord's making of any repairs to the Leased Premises; or
- (b) Landlord's performing of any repairs, additions, alterations, renovations, reconfigurations or improvements in or to the Shopping Center (including excavations); or
 - (c) Landlord's failure to supply any Utility (if Landlord shall supply such Utility); or
- (d) Landlord's removal of Hazardous Materials (as hereinafter defined) from the Leased Premises; and

there is a material interference with Tenant's ability to conduct its business in the Leased Premises ("Interference") then all payments of Fixed Minimum Rent and all additional rent shall be abated from the date of Interference until such Interference ceases.

VII-4 Relocation

Landlord shall not relocate Tenant into another space in the Shopping Center or reduce the size of the Leased Premises.

VII-5 Installation of Utility Lines

Landlord shall install all utility lines and services for other store locations above the finished ceiling and along the perimeter walls of the stock room area of the Leased Premises. Any such installations shall not interfere with electrical, mechanical or sprinkler lines in the Leased Premises.

VII-6 Security Gates

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

VII-7 Sign Removal

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

- a. Permanent Sign. Removal of the Permanent Sign shall be subject to the following conditions:
- (i) Landlord shall, at it's sole cost and expense, remove the Permanent Sign in a careful manner so as not to damage it, and store it in an appropriate facility;
- (ii) As 500n as the Work has progressed to the point that the Permanent Sign can be reinstalled, Landlord, at Landlord's sole cost and expense, shall reinstall the Permanent Sign at it's former location, and
- (iii) Landlord, at Landlord's sole cost and expense, shall promptly repair any damage to the Permanent Sign which occurs during the removal, storage, or reinstallation thereof.
- b. Temporary Sign. If the Permanent Sign is removed or blocked by scaffolding or other Work for a period in excess of two (2) days, then Landlord, at Landlord's sole cost and expense, shall provide a temporary sign to advertise Tenant's business. Such temporary sign shall be as similar as reasonably possible in both size and style to the Permanent Sign, and shall be installed by Landlord in a location as near as reasonably possible to the location from which the Permanent Sign was removed or blocked, consistent with the goal of achieving maximum visibility for such temporary sign.

VII-8 Pylon Signs/Canopy

Intentionally Omitted.

VII-9 Scaffolding

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

VIII Utilities

VIII-1 Utilities Provided by Landlord

Intentionally Omitted.

VIII-2 Change in Supply of Utilities

Intentionally Omitted.

VIII-3 Utility Equipment

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

IX

Insurance and Indemnity

IX-1 Blanket Policy

Tenant may maintain all or any part of the insurance required pursuant to this Lease in the form of a blanket policy covering other locations in addition to the Leased Premises.

IX-2 Self Insurance

Intentionally Omitted.

IX-3 Landlord's Insurance

- (a) Landlord shall maintain with responsible companies fire and extended coverage insurance, including vandalism, malicious mischief, sprinkler leakage and flood endorsements covering the replacement cost of the entire Shopping Center less foundations and excavations in an amount not less than ninety (90%) percent of the replacement value or the greater amount necessary to prevent Landlord from becoming a co-insurer.
- (b) Landlord shall maintain with responsible companies, public liability insurance, insuring Tenant and Tenant's guarantor (if any) as an additional insured against all claims, demands and actions for injury to or death of any one person in the amount of not less than \$1,000,000 and for injury or death of more than one person in any one accident in an amount of not less than \$2,000,000 and for damage to property in an amount not less than \$1,000,000 (or combined single limit coverage of \$5,000,000) made by or on behalf of any person, firm or corporation, arising from, related to, or connected with the conduct and operation of Landlord in the Common Areas, and anywhere upon Landlord's tract and should hold Tenant and Tenant's guarantor (if any) harmless and indemnified from all injury, loss, claims or damage to any person or property while in the Common Areas or any other part of the Shopping Center.
- (c) Notwithstanding anything contained in this Lease to the contrary, the limits of such insurance as set forth above, shall not limit Landlord's liability hereunder.

IX-4 No Premium Increase

Tenant's use of the Leased Premises for the current permitted use as set forth herein shall not be deemed to increase Landlord's insurance premiums for fire and extended coverage insurance (or "all risk" insurance, as the case may be).

IX-5 Indemnity by Landlord

Landlord shall indemnify, hold harmless and defend Tenant from and against any and all claims, demands, damages, judgments, fines, penalties, losses, costs and expenses, including reasonable attorneys' fees, incurred by Tenant as a result of:

- (a) any accident occurring on or about the Common Areas of the Shopping Center, except for the negligent, or willful acts or omissions of Tenant, its agents, contractors, employees proximately causing same;
- (b) the negligent or willful acts or omissions of Landlord, its agents, contractors or employees; or
- (c) a breach of the provisions of this Lease by Landlord, its agents, contractors or employees.

IX-6 Waiver of Subrogation

Intentionally Omitted

IX-7 Coverage's

In no event shall Tenant's proportionate share of the cost of such insurance include any contribution toward earthquake, flood, or rental abatement insurance, unless Landlord's mortgagee requires such items to be carried in Landlord's policy.

X

Casualty/Condemnation

X-1 Tenant's Right to Terminate

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

X-2 No Discrimination in Termination

Landlord shall not exercise any right that it may have to terminate this Lease unless it simultaneously terminates the leases of all other tenants in the Shopping Center similarly affected with respect to any such casualty or condemnation.

X-3 Unamortized Costs

Intentionally Omitted.

X-4 Tenant's Right to Close

Intentionally Omitted.

X-5 Extension of Term

Intentionally Omitted.

X-6 Renewal Option

Intentionally Omitted.

X-7 Abatement of Rent and Charges

Assignment and Subletting

- Notwithstanding anything to the contrary in the Lease, Tenant may assign the Lease or sublet the entire Leased Premises without Landlord's prior approval, provided: (i) any assignee assumes in writing the performance and observance of all the terms, convenants and conditions of the Lease; (ii) any assignee or sublessee agrees in writing to continue to occupy the Leased Premises in accordance with all provisions of the Lease, including without limitation provisions regarding the use and operation of the Leased Premises; (iii) a copy of the sublease or assignment and assumption agreement is delivered to Landlord; and (iv) the assignee or sublessee is a parent, affiliate or wholly-owned subsidiary of Tenant or of Tenant's parent company or of Tenant's guarantor, if any, or is a successor to Tenant by way of merger, consolidation or corporate reorganization, private placement or by the purchase of all or a portion of the assets or shares of stock of Tenant, or in connection with the sale of at least three (3) stores of a chain trading under the same tradename as Tenant, provided that Ashley Stewart Brands, Inc. remains liable under the Lease and the permitted use shall be limited to the use referenced in Section II-1 herein.
- (b) Landlord shall not unreasonably withhold or delay its consent to any other assignment of his Lease or subletting of the Leased Premises by Tenant, provided (a) any assignee shall assume in writing the performance and observance of all of the terms, convenants and conditions of this Lease, including the use permitted hereunder, (b) a copy of the sublease or assignment and assumption agreement is delivered to Landlord, and (c) any assignee or sublessee shall have a reputation, experience and financial condition equal to or better than Tenant, as reasonably determined by Landlord, and (d) Tenant remains liable under the Lease and the permitted use is limited to the use referenced in Section II-1 herein.
- (c) It shall not be deemed an assignment of this Lease and Landlord's consent shall not be required (regardless of any resulting change of control of Tenant) in the event that Tenant or its parent company, subsidiary or affiliate becomes a publicly traded company whose outstanding voting stock is listed on a "national securities exchange," as defined in the National Securities Exchange Act of 1934 or in the event of a private placement or sale of stock of Tenant or its parent company, subsidiary or affiliate.
- (d) Tenant may permit up to fifteen (15%) percent of the gross leasable area of the Leased Premises to be occupied by concessionaires without Landlord's consent provided that the sales of such concessionaires are included in Gross Sales. The Fixed Minimum Rent and additional rent received from such concessionaires, however, shall be excluded from Gross Sales.
- (e) Landlord's consent shall not be required in the event of any 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.

XII

Landlord's Work and Tenant's Plans

XII-1 Landlord's Work

Intentionally Omitted

XII-2 Performance of Landlord's Work

Intentionally Omitted

XII-3 Tenant's Plans and Specifications

- (a) Landlord shall respond to Tenant's plans and specifications ("Tenant's Plans") for Tenant's initial improvements to the Leased Premises or for any alterations, additions or improvements proposed during the lease term within ten (10) days of their presentment or Tenant's Plans shall be deemed approved.
- (b) Tenant shall have no obligation to pay Landlord for any cost or expense incurred by Landlord or Landlord's Architect, in reviewing Tenant's Plans.
- (c) Intentionally Omitted.
- (d) Intentionally Omitted.
- (e) Wherever Landlord's approval is required with respect to Tenant's plans, said approval shall not be unreasonably withheld or delayed.
- (f) Intentionally Omitted.
- (g) In addition to Tenant's storefront sign, Landlord hereby consents that Tenant may install an additional interior back-lit sign near the storefront stating "SIZES 14-28".

XIII

Miscellaneous

XIII-1 Floor Measurement

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

XIII-2 Subordination to Future Encumbrances

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

XIII-3 Subordination to Present Encumbrances

Landlord represents and warrants that as of the date hereof the only mortgages or deeds of trust	
encumbering the Leased Premises and/or the Shopping Center are held by	

XIII-4 Attornment

Tenant shall attorn to any subsequent purchaser or transferee of Landlord's interest in the Shopping Center provided that such purchaser or transferee shall assume Landlord's obligations hereunder and permit

Tenant to remain in undisturbed possession, use and enjoyment of the Leased Premises and further provided that Tenant is not in default hereunder after notice from Landlord and the expiration of the applicable grace or cure period in accordance with the terms of this Lease.

XIII-5 Modifications to Lease

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

XIII-6 Brokerage Indemnity

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

XIII-7 Force Majeure

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

XIII-8 Landlord's Authority

Landlord represents and warrants that it is the fee owner or subtenant of the Leased Premises subject to no mortgages, liens or encumbrances, and Landlord has the authority to enter into this lease without the consent, joinder or approval of any other party, and that in the event Landlord is a corporation the execution is performed on behalf of such corporation by duly authorized officers, including, but not limited to the right and lawful authority to terminate any right of any present or prior tenant of the Premises and deliver possession thereof to Tenant.

XIII-9 Zoning and Restrictions

- (a) Landlord represents, warrants and covenants that the Leased Premises are presently zoned, and are in conformity with applicable law, so as to permit: (i) the Leased Premises to be lawfully used for retail sales to the public of merchandise and services as set forth herein; and (ii) sufficient parking to comply with applicable zoning codes.
- (b) Landlord represents, warrants and covenants that Landlord's title to the Leased Premises is not subject to any covenant, agreement, reservation, lien, easement, restriction and/or encumbrance which would prohibit Tenant from using the Leased Premises in accordance with the Permitted Use.

XIII-10 Hazardous Materials

The Landlord represents, warrants and covenants that the Leased Premises and the Shopping Center are 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, 42 U.S.C. Section 9601 et. seq., the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Section 1801, et. seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et. seq. and any applicable state, county, city or local law; and the regulations adopted and publications promulgated pursuant to said laws. Landlord agrees to remove any hazardous material discovered in the Premises, which is found to have existed on the Premises prior to Tenant taking occupancy. In the event that Tenant closes for business with the public at the Leased Premises due to the presence of Hazardous Substances or the removal thereof, provided such Hazardous Substances was not generated by Tenant, its agents or employess, then all rent and charges shall be abated until such time as any such removal has been completed and Tenant has re-opened the Leased Premises for business with the public.

XIII-11 Accord and Satisfaction

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

XIII-12 Litigation

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

XIII-13 Reservation of Claims

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

XIII-14 Limitation of Tenant's Liability

Intentionally Omitted.

XIII-15 Tenant's Remedies

Intentionally Omitted.

XIII-16 Tenant's Construction Allowance

See Lease Page 5.

XIII-17 Escrow of Construction Allowance

Intentionally Omitted

XIII-18 Offset of Construction Allowance

In the event that the Landlord fails to pay the Construction Allowance to Tenant in accordance with the provisions herein, Tenant may offset the Construction Allowance against any and all future payment due Landlord in accordance with the terms of this Lease until such Construction Allowance, plus interest compounded daily from the date said Construction Allowance becomes due at 2% over the prime lending rate of Citibank, NA, has been satisfied.

XIII-19 Landlord's Consent

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

XIII-20 Exclusive

Intentionally Omitted

XIII-21 Notices

Where ver pursuant to this Lease, any notice is required or permitted by Landlord or Tenant, such notice shall be in writing. A copy of all notices to Tenant shall be sent by Certified Mail, Return Receipt Requested to the Leased Premises and to Tenant at:

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

XIII-22 Waiver of Landlord's Security Interest

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

XIII-23 Store Expansion

Intentionally Omitted

XIII-24 Right of First Refusal To Lease Adjacent Space

Intentionally Omitted

XIII-25 Grand Opening Promotion

Intentionally Omitted

THIRD RIDER TO LEASE BETWEEN NOVOGRODER COMPANIES, INC. AS LANDLORD AND ASHLEY STEWART BRANDS, INC. AS TENANT. DATED JULY 30, 1999, FOR PREMISES AT CICERO COMMONS CICERO, ILLINOIS

The following additional provisions are hereby incorporated into the Lease as though fully set forth therein. In the event of any conflict or inconsistency between the terms of the Lease, all Exhibits thereto and the terms of the following provisions, the following provisions shall be controlling.

It is agreed that in the event that Radio Shack has not completed the construction of the 1. demising walls carving out the five hundred (500) square feet of adjacent space on or before October 15, 1999, Tenant shall have the right to complete the construction of said demising walls commencing on October 16, 1999, and Landlord shall reimburse Tenant for the cost of said work on a time and materials basis. The charges for said work on a time and materials basis shall be in accordance with the customary rates charged for comparable work in the area of Cicero, Illinois. Tenant shall deliver to Landlord the paid invoices for said work and Landlord shall reimburse Tenant within thirty days of receipt of same.

The date of this Rider is July 30, 1999.

George Novogroder, President

LANDLORD

NOVOGRODER COMPANIES, INC.	TENANT ASHLEY STEWART BRANDS, I		
ву	By:		

Joseph J. Sitt, President