

OFFICE SPACE LEASE

by and between

CHICAGO CHRISTIAN INDUSTRIAL LEAGUE,
as Landlord,

and

CHICAGO HOUSING AUTHORITY
as Tenant

2750 WEST ROOSEVELT ROAD
CHICAGO, ILLINOIS 60606

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- B. Landlord Improvements
- C. Form of Commencement Date Agreement
- D. Rules and Regulations
- E. 1st Floor Furniture Inventory

OFFICE SPACE LEASE

THIS OFFICE SPACE LEASE (this "Lease") is made as of the 5th day of February, 2010, by and between CHICAGO CHRISTIAN INDUSTRIAL LEAGUE, an Illinois not-for-profit corporation ("Landlord"), and CHICAGO HOUSING AUTHORITY, an Illinois municipal corporation ("Tenant"), for certain premises more particularly described in the schedule below located in the building commonly known as 2750 West Roosevelt Road, Chicago, Illinois 60606, the "Building". The following schedule (the "Schedule") sets forth certain basic terms of this Lease:

SCHEDULE:

1. **Premises:** Suite 102 on the first (1st) floor of the Building, as depicted on Exhibit A attached hereto and prior to approved modifications..
2. **Commencement Date:** The earlier to occur of (a) the date Tenant first occupies the Premises for the conduct of its business or (b) the date of Substantial Completion of the Improvements (as defined in the Landlord Improvements attached hereto as Exhibit B (the "Landlord Improvements")), but in no case later than March 1, 2010.
3. **Expiration Date:** The last day of the 3rd Lease Year, subject to extension options.
4. **Rentable Square Feet of the Premises:** Approximately 7,544 square feet, subject to remeasurement as described in Section 1 hereof.
5. **Base Rent:**

Period	Annual Base Rent Per Rentable Square Foot	Monthly Base Rent	Annual Base Rent
1st Lease Year	\$22.00	\$13,830.67	\$165,968.00
2nd Lease Year	\$22.66	\$14,245.59	\$170,947.04
3rd Lease Year	\$23.34	\$14,672.95	\$176,075.45
4th Lease Year *	\$24.04	\$15,113.14	\$181,357.71
5th Lease Year **	\$24.76	\$15,566.54	\$186,798.45

* if Tenant exercises its first extension option pursuant to Section 23.

** if Tenant exercises its second extension option pursuant to Section 23.

6. **Broker(s):** None.

7. **Common Areas:** (i) the common stairways and access ways, lobbies, hallways, entrances, stairs, elevators and any passageways thereto, restrooms, refuse facilities and other areas or facilities within the Building for the general use, convenience and benefit of Tenant and other tenants and occupants of the Building, and not restricted to access, and the common pipes, ducts, conduits, wires, telephone and electrical closets, and appurtenant equipment serving the Premises; and (ii) the common walkways, sidewalks, landscaping, parking spaces and driveways and loading docks associated with the Building.

8. **Exhibits:**

- A. Floor Plan
- B. Landlord Improvements
- C. Commencement Date Agreement
- D. Rules and Regulations
- E. 1st Floor Furniture Inventory

1. **Demise And Term.**

(a) **Premises and Term.** Landlord leases to Tenant and Tenant leases from Landlord the Premises, subject to the covenants and conditions set forth in this Lease, for a term (the "Term") commencing on the Commencement Date and expiring on the Expiration Date, unless extended or terminated earlier as otherwise provided in this Lease. Tenant shall be entitled to possession of the Premises as of the date of this Lease (the "Possession Date") for the purposes of performing any approved Tenant Improvements and installing its FF&E therein (such possession prior to the Commencement Date being on all of the terms and conditions of this Lease as if the Commencement Date had occurred, other than the obligation to pay Rent which shall be waived), and shall surrender possession to the Landlord on the Expiration Date, except as otherwise expressly provided herein.

(b) **Remeasurement.** Tenant understands that the Premises contains approximately 7,544 rentable square feet as determined pursuant to the Standard Method for Measuring Floor Area in Office Buildings published by the Building Owners and Managers Association International ("BOMA") as revised and readopted June 7, 1996 (the "Standard Measure"). Tenant reserves the right to have its space planner or architect measure the Premises upon completion of the space plan and/or the Tenant Improvements to confirm that the measurement provided by Landlord is accurate and conforms to the Standard Measure. Any discrepancy shall be promptly resolved by the parties through good faith negotiation.

(c) **Commencement Date Agreement.** Following the Commencement Date, the parties shall, at either party's request, execute a Commencement Date Agreement in the form attached hereto as Exhibit C to become a part hereof setting forth the Commencement Date, Expiration Date, and, if different from that set forth in the Schedule after remeasurement as described above, the rentable square footage of the Premises and Base Rent and all other items based upon the Rentable square footage of the Premises. The parties' failure to execute such Commencement Date Agreement shall in no way affect Tenant's and Landlord's obligation to perform under this Lease.

(d) **Common Areas.** Landlord agrees that Tenant, its employees, licensees, invitees, successors and assignees shall have, as appurtenant to the Premises, the right to use the Common Area at no additional cost, in common with others, but subject to the limitations herein stated. Common Areas shall be used solely for the movement from one area to another and shall not be used as a place of congregation. Any non-CHA employee must be accompanied, at all times, by a CHA employee when using the Common Areas. It is expressly understood that the majority of the space in the Building is utilized to house homeless and displaced men, women, and/or their children; and therefore movement within the Common Areas should be kept at an absolute minimum for ingress or egress to the Premises, Tenant employee access to the first floor lavatories located on the first floor Common Area, stairway or elevator access to second floor for permitted use of classrooms or as otherwise allowed by Landlord.

2. **Rent.**

(a) **Definitions.** For purposes of this Lease, the following terms shall have the following meanings:

(i) **"Lease Year"** shall mean the twelve (12) month period commencing on the Commencement Date and each subsequent twelve (12) month period during the Term, provided that if the Commencement Date is not the first (1st) day of a month, the first Lease Year shall be the period commencing on the Commencement Date and ending on the last day of the twelfth (12th) full calendar month following the Commencement Date. **"Rent"** shall mean Base Rent and any other sums or charges payable by Tenant hereunder.

(b) **Components of Rent; Gross Lease.** Tenant agrees to pay the following amounts to Landlord at 2750 West Roosevelt Road, Chicago, Illinois 60606, or at such other place as Landlord designates in writing: Base Rent to be paid in monthly installments in the amount set forth in Item 5 of the Schedule in advance on or before the first day of each month of the Term, without notice or demand. Landlord acknowledges that this Lease is made on a "gross rent" basis such that, except as otherwise expressly provided herein, (i) the costs of all services and obligations of Landlord hereunder are included in Base Rent payable by Tenant and (ii) Landlord shall pay any and all expenses, costs and disbursements of any kind and nature whatsoever incurred by Landlord in connection with the ownership, leasing, management, maintenance, operation and repair of the Building, including, without limitation, the costs of maintaining and repairing parking lots, parking structures and easements, property management fees, interest, fees and principal payments on loans, ground lease payments, legal fees, brokerage commissions, advertising costs and other related expenses incurred in connection with the leasing of the Building, Landlord's general overhead and administrative expenses not related to the Building, legal fees, accountants' fees and other expenses incurred in connection with disputes with Tenant or other tenants or occupants of the Building or associated with the enforcement of any lease or defense of Landlord's title to or interest in the Building or any part thereof, interest, penalties or other costs arising out of Landlord's failure to make timely payments of its obligations, any cost or expense related to the testing for, removal, transportation or storage of Hazardous Materials (as hereinafter defined) from the Building, salaries, fringe benefits and related costs, insurance costs of every kind and nature, heating, ventilating and air conditioning costs, utility costs, sewer and water charges, the costs of all repairs, maintenance, replacements, refurbishment, renovations, capital improvements and decorating (except as it relates to the leased space which shall be taken subject to the agreed upon Landlord Improvements attached hereto), and all taxes, assessments and fees levied upon the Building, the property of Landlord located therein or the rents collected therefrom, by any governmental entity based upon the ownership, leasing, renting or operation of the Building, including all costs and expenses of protesting any such taxes, assessments or fees.

(c) **Payment of Rent.** The following provisions shall govern the payment of Rent:
(i) if this Lease commences or ends on a day other than the first day or last day of a calendar month, the Rent for the year in which this Lease so begins or ends shall be prorated and the

monthly installments shall be adjusted accordingly; (ii) all Rent shall be paid to Landlord without offset or deduction except as may otherwise be specifically provided elsewhere in this Lease, and the covenant to pay Rent shall be independent of every other covenant in this Lease; (iii) any sum due from Tenant to Landlord which is not paid when due shall bear interest from the date due until the date paid at the annual rate of one percentage (1%) point above the rate then most recently announced by JP Morgan Chase Bank (or its successor) as its corporate base lending rate, from time to time in effect, but in no event higher than the maximum rate permitted by law (the "Default Rate"); provided, however, that Landlord shall not charge Tenant such Default Rate if Tenant cures such failure to pay any sum due within five (5) days after written notice from Landlord of such delinquency; and, in addition, Tenant shall pay to Landlord, as a late charge and not a penalty, for any Rent payment which is paid more than five (5) days after written notice from Landlord, an amount equal to the lesser of (i) \$250.00 or (ii) five percent (5%) of such payment; and (iv) each amount owed to Landlord under this Lease for which the date of payment is not expressly fixed shall be due within thirty (30) days after the date of Landlord's written invoice for such amount.

3. Use. Landlord and Tenant covenant and agree that Tenant and its designated contractor may use and occupy the Premises only for general office, meeting and special events activities, subject to restrictions of record and applicable zoning ordinances.

Tenant shall not use the Premises or any part thereof, or permit the Premises or any part thereof to be used, (1) for the business of photographic, multilith or multigraph reproductions or offset printing, except to the extent incidental to Tenant's own business being conducted in the Premises, (2) for any enterprise which conducts business in the Premises with the general public on an off-the-street retail basis, (3) by any Governmental Authority or any other Person having sovereign or diplomatic immunity, (4) as an employment agency, executive search firm or similar enterprise, labor union, school, or vocational training center (except for the training of employees of Tenant and its designated contractor to be employed at the Premises), (5) as a health care facility, (6) as a television or radio studio, or (7) as a kitchen, cafeteria or restaurant, except that subject to Article 9 hereof, Tenant may install a microwave unit in the Premises to warm food and prepare light meals solely for Tenant's, and its designated contractor's officers, employees and guests.

4. Condition of Premises. Landlord shall deliver the Premises to Tenant on the Possession Date in its then "as is" condition, clean and free of debris and all other tenants or occupants. Landlord agrees to repair any latent defects in the Premises as delivered to Tenant of which it receives notice, so long as said notice is received within twelve (12) months of delivery of possession of the Premises to Tenant. Landlord warrants that for the Term (including any extensions thereof), the Premises and the Building shall be watertight and free from structural defects and all Hazardous Materials (as hereinafter defined). Landlord further warrants that on the Possession Date the Building and Premises shall be in accordance with all laws, regulations and codes applying thereto.

5. **Building Services.**

(a) **Basic Services.** Landlord shall provide at no cost to Tenant (except as expressly provided herein) in amounts similar to those furnished by other operators of comparable office buildings in the area (i) access to: the Premises during normal business hours (Monday through Friday from 8:00 A.M. to 6:00 P.M. and Saturday from 8:00 A.M. to 5:30 P.M., observed national holidays excepted), electricity, gas, hot and cold running water, lighting, elevator service, heating, ventilating and air conditioning and other Building services required for the comfortable use and occupancy of the Common Areas and Premises, and (ii) access to: the Common Areas during normal business hours (as excepted above), utilities and maintenance as required for the comfortable use and occupancy of the Common Areas and Premises. Tenant shall have the right, upon reasonable advance notice to Landlord, to request heating and air conditioning during other than normal business hours. Notwithstanding anything to the contrary contained in this Lease, Tenant shall reimburse Landlord for the reasonable and actual out-of-pocket costs of any such after-hours additional heating or air conditioning. Basic Services included herein are assumed to be for the reasonable and necessary operations of the Premises during normal business hours for the permitted uses. In the event that Tenant has extra-ordinary uses for said Basic Services, the parties will agree that Tenant will reimburse Landlord for any charges which are mutually agreed to be extra-ordinary and beyond reasonable usage.

(b) **Security Services.** Landlord shall provide 24 hour supervision and response services at the Building. Tenant shall be permitted to install at its sole cost and expense a security system in the Premises, which installation shall be performed in accordance with Section 9(a) hereof. Landlord hereby agrees to reasonably assist Tenant, at Tenant's sole cost and expense, with such installation (which Landlord acknowledges may require an interface to an existing lock or a separate entry door with an electrified lock furnished by Tenant). Upon expiration of the Term or earlier termination of this Lease, Tenant shall be permitted to remove all security equipment (including cabling) installed by Tenant. Tenant will make all necessary repairs for any removed equipment, and restore the Premises to the condition prior to the alteration. Landlord hereby agrees that it shall have key access to the Premises only on a case by case basis as approved by Tenant in advance, except that Landlord may access the Premises without notice in the event of an emergency or to access maintenance or operations areas located in the Premises; specifically the phone and cabling room which is accessible only by entering the Premises.

(c) **Electricity.** Cost of electrical service to the Premises shall be included in Base Rent. Electricity shall be distributed to the Premises by the electric utility company serving the Building and Landlord shall permit Landlord's wire and conduits, to the extent available, suitable and safely capable, to be used for such distribution.

(d) **Telecommunications Services.** Tenant shall arrange for telephone, data transaction, video and other telecommunication services ("Telecommunication Services") directly with one or more Telecommunications Services providers and shall be solely responsible for paying for such Telecommunications Services. All connections for Telecommunications Services which Tenant may desire and the location of all wires and fibers shall be first approved in writing by Landlord (such approval shall not be unreasonably withheld, conditioned or

delayed) before the same are installed, and the work in connection therewith shall be performed by Tenant's contractors subject to approval by Landlord (which approval shall not be unreasonably withheld, conditioned or delayed).

(e) **Additional Services.** Landlord shall furnish services requested by Tenant in addition to those stated above (including services at times other than those stated above) upon Tenant's request, in which event Tenant shall pay Landlord's reasonable and actual out-of-pocket cost to furnish such services, including without limitation after-hours HVAC.

(f) **Failure or Delay in Furnishing Services.** Upon any interruption in utilities or services resulting solely from the negligence or intentional misconduct of Landlord or its agents, contractors or employees, Tenant shall have the right to abate Rent until all the utilities and services are restored if it is reasonably determined that the interruption in utilities or services has substantially interfered with Tenant's use or enjoyment of the Premises or Tenant's conduct of business in the Premises for more than five (5) consecutive days. Tenant shall have the right to terminate this Lease if (i) any such interruption in the utilities or services continues for twenty (20) consecutive days; (ii) the interruption was the result of the negligence or willful misconduct of Landlord or its agents, contractors or employees; and (iii) Tenant has been prevented from using the Premises as a result thereof.

(g) **Classroom, Boardroom, Assembly Room and Other Building Amenities.** During the Term (as the same may be extended or renewed), Tenant and its employees shall have the right to access and use, on a non-exclusive, first come first serve basis, and subject to prior reservation and availability, the following Building amenities during regular business hours, Monday through Friday, 8:00 AM to 5:00 PM and Saturdays (subject to prior scheduling and availability of Landlord's staff), upon the following terms and conditions:

(i) Use of a classroom facilities for staff only training and education on the 2nd floor of the building for eight (8) hours per month at no charge and thereafter at an hourly rate of \$50.00 per classroom per hour, 4 hour minimum per scheduling, subject to availability;

(ii) Use of the board room on the 3rd floor of the building for administrative and board meetings for twenty (20) hours per year at no charge and thereafter at an hourly rate of \$100.00 per hour, 4 hour minimum per scheduling, subject to availability; and

(iii) At Landlord's sole discretion, the use of the Assembly Room on the 1st floor of the building at an hourly rate of \$100.00 per hour, 2 hour minimum per scheduling, subject to availability and the unavailability of the meeting space within the Premises built for larger meetings. Any Landlord approved activity conducted in the Assembly Room shall be monitored by a CHA employee and there shall be no movement of any invitees outside of that space except for the limited purpose of use of the lavatory facilities and under the condition of being accompanied by a CHA Employee or CHA Security.

(h) **Miscellaneous.** The actual use of these additional Building facilities as defined in section (g) above, and the utilities associated with such use, in the specified number of hours free of charge is included in the Base Rent to the extent that it covers the basic availability of the room, utilities and ordinary and customary trash receptacle removal. The cost of additional services such as room set-up fees, use of audio visual equipment, or any other services required will be at additional cost agreed to by the parties prior to the use. Tenant shall be responsible for leaving the space in a clean and orderly manner. Any food service at meetings must be pre-approved by Landlord and any and all waste must be disposed of in proper receptacles which will be supplied by Landlord. Tenant shall be responsible for any specific space set-up requirements and shall restore the room to its prior condition after each use. Tenant shall be responsible for any damage to these additional Building facilities that occurs during its use, or is caused by Tenant, its employees, officers, directors or invitees. There shall be no offset, credit or deduction to the Base Rent charged hereunder if the Tenant does not use these additional Building facilities for any period of time.

6. **Rules And Regulations.** Tenant shall observe and comply, and shall cause its subtenants, assignees, invitees, employees, contractors and agents to observe and comply, with the Rules and Regulations listed on Exhibit D attached hereto. Landlord may from time to time make reasonable modifications to such Rules and Regulations, provided, however, that such modifications shall not be binding upon Tenant until thirty (30) days after Tenant has received a written copy of such modifications. Landlord shall not be obligated to enforce the Rules and Regulations against any person, provided, however, that Landlord shall not discriminate against Tenant in the enforcement of such Rules and Regulations. In the event of any inconsistency between the terms of this Lease and the Rules and Regulations, the terms of this Lease shall govern.

7. **Certain Rights Reserved To Landlord.** Landlord reserves the following rights: (a) upon at least ninety (90) days prior written notice to Tenant, to change the name or street address of the Building or the suite number of the Premises (provided that in such event Landlord shall reimburse Tenant for the cost of new stationery, business cards and business and marketing materials rendered obsolete by such change; (b) to install, affix and maintain any and all signs consistent with first-class buildings in the area of the Building on the exterior or interior of the Building (other than within the Premises); (c) to make repairs, decorations, alterations, additions or improvements, whether structural or otherwise, in and about the Building, and for such purposes to enter upon the Premises, temporarily close doors, corridors and other areas of the Building and interrupt or temporarily suspend services or use of common areas; (d) to grant to any person or to reserve unto itself the exclusive right to conduct any business or render any service in the Building; (e) to install, use and maintain in and through the Premises pipes, conduits, wires and ducts serving the Building, provided that such installation, use and maintenance does not materially interfere with Tenant's use of the Premises; (f) to take any other action which Landlord reasonably deems necessary in connection with the operation, maintenance, marketing or preservation of the Building; (g) to approve the weight, size and location of safes or other heavy equipment or articles, which articles may be moved in, about or out of the Building or Premises only at such times and in such manner as Landlord shall direct, at Tenant's sole risk and responsibility; and (h) to show the Premises to prospective purchasers and lenders and, during the last three (3) months of the Term, to prospective tenants. Landlord shall

use commercially reasonable efforts to conduct such activities in a manner which will not unreasonably and materially interfere with the Tenant's access or use of the Premises for the purposes permitted under this Lease. Landlord shall not do any act under this Section 7 which would materially and unreasonably interfere with Tenant's access to the Premises or use of the Premises. Landlord shall provide reasonable prior written notice to Tenant prior to any entry into the Premises hereunder, except, however, in the event of emergency and in the event of entering the Premises to access routine maintenance or operations areas, in which case no notice shall be required. Landlord shall not make changes to the Common Areas to the extent such changes materially impair Tenant's use and occupancy of or access to the Premises. In the event that Landlord or any of its agents, employees, contractors or designees enters into the Premises under non-emergency situations in order to perform alterations, improvements and/or repairs thereto or to any other portion of the Building, and as a result thereof, Tenant cannot, in the exercise of its reasonable business judgment operate its business in a material portion of the Premises and in fact does not operate its business in the Premises, Rent and all other charges payable to Landlord hereunder shall abate in proportion to the degree of interference from the date of such closure until such time as the condition giving rise to said closure has been corrected, at which time Tenant shall resume the payments required hereunder.

8. **Maintenance And Repairs.**

(a) **Tenant's Obligations.** Subject to Landlord's obligations under Section 8(b), Tenant, at its sole expense, shall keep the interior non-structural portions of the Premises in good condition, order and repair. However, Tenant's maintenance obligations shall not include the following: (i) damage and repairs covered under any insurance policy carried by Landlord in connection with the Building; (ii) damage caused by any defects in the design, construction or materials of the Building, including the Premises and improvements installed therein by Landlord; (iii) damage caused in whole or in part by the negligence or willful misconduct of Landlord or Landlord's agents, employees, contractors, invitees or licensees, (iv) repairs covered under Expenses; (v) reasonable wear and tear; (vi) conditions covered under any warranties of Landlord's contractors; or (vii) damage by fire and other casualties not caused by Tenant, or acts of governmental authorities, or acts of God and the elements.

(b) **Landlord's Obligations.** Landlord, at its expense, shall maintain and repair the Building to the standard of similar office buildings in the geographical area of the Building and in compliance with all applicable laws and regulations. Without limitation of the foregoing, Landlord shall maintain in good condition and repair in a prompt and diligent manner (i) all portions of the Building which are not a part of or which do not exclusively serve the Premises, including but not limited to all elevators, electrical, fire sprinkler, life safety, mechanical, plumbing, sewage, HVAC systems serving the Premises and the Building; (ii) all portions of the roof, roof structures and supports (including Tenant's interior ceiling), and all structural portions of the Premises, including but not limited to, the foundation and structural supports, exterior and load bearing walls, subfloors and floors (but not floor coverings, gutters, downspouts and exterior doors; (iii) all utilities to the Premises; (iv) all driveways, sidewalks, parking areas and all other Common Areas and facilities thereof; (v) all defects in the Premises as well as any damage to the Premises caused by the willful act or the negligence of the Landlord or its agents, employees, contractors, invitees or licensees; and (vi) the HVAC system serving the Premises. If

any such maintenance or repairs to the Building or the Premises are required as a result of the negligence or willful misconduct of Tenant or its employees, contractors or agents, or breach of this Lease by Tenant or its employees, contractors or agents, and if Tenant does not perform such required maintenance or repair promptly after notice from Landlord, then Tenant shall reimburse Landlord for any such maintenance or repairs of the Building or the Premises. Landlord shall use its best efforts to make any repairs, additions or alterations in, about or affecting the Premises or adjoining premises during non-business hours and agrees to promptly restore the Premises following any such work or activity. Landlord shall be responsible, without reimbursement or contribution by Tenant, for paying any and all fines or penalties assessed by any governmental authority if the Premises fails to comply with any laws, codes, ordinances, rules or regulations of any governmental authority with respect to (i) the Premises as it existed on the date possession thereof was delivered to Tenant, (ii) any repairs, replacements, alterations, modifications and/or additions made thereto by or on behalf of Landlord and/or (iii) any items Landlord is responsible to repair and maintain hereunder, and for making all repairs, replacements, alterations, modifications and/or additions to the foregoing to the extent necessary to comply with all applicable laws, codes, ordinances, rules and regulations of governmental authorities in force from time to time. Landlord's maintenance of the structural components of the Building and the Building foundation shall be at Landlord's expense and not included in Expenses.

9. Alterations.

(a) Requirements. Tenant shall not make any replacement, alteration, improvement or addition to or removal from the Premises (collectively an "Alteration") without the prior written consent of Landlord (which shall not be unreasonably withheld, conditioned or delayed).

If Tenant proposes to make any Alteration, Tenant shall, prior to commencing such Alteration, submit to Landlord for prior written approval: (i) detailed plans and specifications; (ii) the name of Tenant's general contractor; (iii) copies of all necessary permits evidencing compliance with all applicable governmental rules, regulations and requirements; and (iv) a certificate of insurance for Tenant's general contractor in form and amounts required by this Lease, naming Landlord as additional insured. Neither approval of the plans and specifications nor supervision of the Alteration by Landlord shall constitute a representation or warranty by Landlord as to the accuracy, adequacy, sufficiency or propriety of such plans and specifications or the quality of workmanship or the compliance of such Alteration with applicable law. Tenant shall pay the entire cost of the Alteration, subject to Section 27.

Each Alteration shall be performed in a good and workmanlike manner, in accordance with the plans and specifications approved by Landlord (which shall not be unreasonably withheld, conditioned or delayed). In addition, each Alteration shall be performed in compliance with all applicable governmental and insurance company laws, regulations and requirements. Each Alteration shall, at Landlord's option, be performed under Landlord's supervision (but without compensation or reimbursement of costs or fees to Landlord), and in harmony with Landlord's employees, contractors and other tenants. Each Alteration, whether temporary or permanent in character, made by Landlord or Tenant in or upon the Premises (excepting only Tenant's furniture, equipment and business and trade fixtures) shall become Landlord's property and shall remain upon the Premises at the expiration or termination of this Lease without

compensation to Tenant; provided, however, that Landlord shall have the right to require Tenant to remove such Alteration at Tenant's sole cost and expense in accordance with the provisions of Section 9 of this Lease, which required removal shall be specified by Landlord when Landlord consents to Tenant's requested Alterations; provided, however that Landlord shall not require Tenant to remove any such Alteration if they are of a quality and quantity typically found in a general office use premises (including, without limitation, telecom cabling).

(b) **Liens.** Upon completion of any Alteration, Tenant shall promptly furnish Landlord with a sworn contractors' statement and a full and final waiver of lien from Tenant's general contractor covering all labor and materials included in such Alteration. If any mechanic's lien is filed against the Building, or any part thereof, arising out of any Alteration performed by or on behalf of Tenant, Tenant shall within thirty (30) days thereafter have such lien released of record or deliver to Landlord a bond in form, amount, and issued by a surety satisfactory to Landlord, indemnifying Landlord against all costs and liabilities resulting from such lien and the foreclosure or attempted foreclosure thereof. If Tenant fails to have such lien so released or to deliver such bond to Landlord, Landlord, without investigating the validity of such lien, may pay or discharge the same, and Tenant shall reimburse Landlord upon demand for the amount so paid by Landlord, including Landlord's expenses and reasonable attorneys' fees.

10. **Indemnification And Insurance.**

(a) **Indemnification.** Except to the extent caused by the negligence, recklessness or willful misconduct of Landlord, its employees, or agents (in which event Landlord shall defend, indemnify and hold harmless Tenant, its subsidiaries, affiliates, successors and assigns, and their respective officers, directors, shareholders, employees, and agents from and against any and all claims, losses, liabilities, damages and expenses (including, without limitation, reasonable attorneys' fees)), Landlord shall not be liable to Tenant or any other person or persons for or on account of any bodily injury (including death) or physical damage to tangible personal property arising out of the negligence, recklessness or willful misconduct of Tenant, its employees or agents. Subject to the foregoing, Tenant agrees to defend, indemnify and hold harmless Landlord, its employees, and agents from and against any and all claims, losses, liabilities, damages and expenses (including, without limitation, reasonable attorneys' fees) to the extent caused by the negligence, recklessness or willful misconduct of Tenant, its employees or agents, and whether for bodily injury (including death) or physical damage to tangible personal property by whomsoever asserted. In the event that the indemnified party's negligence, recklessness or willful misconduct contributed to or caused the injury or damage for which a claim of indemnity is asserted against the indemnifying party hereunder, the damages and expenses (including, without limitation, reasonable attorneys' fees) shall be allocated or reallocated, as the case may be, between the indemnified party and the indemnifying party in such proportion as appropriately reflects the relative fault of the two parties, and the liability of the indemnifying party shall be proportionally reduced. The foregoing indemnification obligations are conditioned on the indemnified party promptly notifying the indemnifying party in writing after any of the indemnified parties receives notice of a claim or loss for which indemnification is or may be sought under this Lease. Failure to provide such notice will relieve the indemnifying party of its indemnity obligations to the extent that such failure prejudices the indemnifying party. The indemnifying party will have the right to control, in a manner not adverse to the indemnified

parties, the defense and settlement of any claims. The indemnified parties may employ counsel, at their own expense, with respect to any such claim (provided that if counsel is employed due to a conflict of interest or because the indemnifying party does not assume control of the defense, the indemnifying party will bear such expense). The indemnifying party will not admit liability or enter into any settlement of a claim that adversely affects the indemnified parties' rights or interests without the indemnified parties' prior written approval. The parties' duty to indemnify each other under this Section 10(a) shall survive the expiration or termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination.

(b) **Insurance Coverages and Amounts.** Each party shall at all times during the term of this Lease and any extensions thereof, and for any additional time as specified below, provide and maintain in effect those insurance policies and minimum limits of coverage as designated below, and any other insurance required by law, regulations or orders of the state in which the Premises are located. Except as otherwise provided in this Lease, each party shall bear the expense of the insurance that it is required to maintain hereunder. These minimum insurance requirements shall not be interpreted to in any way limit either party's liability under this Lease, including but not limited to each party's defense and indemnity obligations.

(i) Each party shall maintain Worker's Compensation insurance as required by any applicable law or regulation and in accordance with the laws of the state, territory or province having jurisdiction over each party's employees. Each party shall maintain Employer's Liability insurance with limits of One Million Dollars (\$1,000,000).

(ii) Each party shall maintain commercial general liability insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence or per claim and Two Million Dollars (\$2,000,000.00) in the annual aggregate. Such insurance shall provide coverage for (a) bodily injury, property damage, personal injury and advertising injury, (b) contractual liability, not only for bodily injury and property damage, but also for personal injury and advertising injury, and (c) cross liability. Such insurance shall include the other party and those additional parties as identified below as additional insureds, but only to the extent of liabilities falling within the indemnity obligations of a Named Insured under the terms of this Lease. In the case of Landlord, the additional insureds shall include Landlord's employees and agents and any ground lessor and any mortgagee holding a lien on the Building, and, in the case of Tenant, the additional insureds shall include Tenant's subsidiaries, affiliates, successors and assigns, and their respective officers, directors, shareholders, employees and agents. Such insurance shall be primary to and non-contributory with any and all other insurance maintained by such additional insureds, but only to the extent of liabilities falling within the indemnity obligations of a Named Insured under the terms of this Lease. If such insurance is maintained on a claims-made basis, then such insurance shall be maintained for an additional period of three years after termination of this Lease and any extension thereof.

(iii) Each party shall maintain Business Automobile Liability insurance covering all owned, rented (hired) and non-owned vehicles used in connection with this Lease or the Premises. Such insurance shall have limits of One Million Dollars (\$1,000,000) each accident for bodily injury and property damage.

(iv) Landlord shall maintain "all risk" property insurance, including fire, lightning, vandalism, malicious mischief, and extended perils, on the Building and the machinery, boilers and equipment contained therein and owned by Landlord (excluding any property with respect to which Tenant under the terms of this Lease or other occupants of the Building under the terms of their respective leases are required to insure) on a full replacement cost basis. Such coverage shall include rental loss coverage for a period of at least six (6) months.

(v) Tenant shall maintain insurance upon all property owned by Tenant or for which Tenant is legally liable, and which is located within the Premises, including but not limited to fittings, installations, alterations, additions, partitions, fixtures, and anything in the nature of a leasehold improvement, on a full replacement cost basis.

(c) **Insurance Requirements.** All insurance obtained by the parties in connection with the Lease shall be with companies licensed to do business in the state in which the Premises are located, with an A.M. Best's Insurance rating of A-:VIII or better (provided that Tenant may provide a notice of self-insurance). Each party shall furnish to the other certificates of insurance (or notice of self-insurance) prior to the Commencement Date, or within a reasonable time thereafter, and within a reasonable time after such coverage is renewed or replaced. The certificates of insurance shall reflect that the insurers issuing the coverage shall endeavor to provide the certificate holder with thirty (30) days prior written notice in the event of cancellation or non-renewal of coverage. If any policy of insurance required to be maintained by a party pursuant to this Lease is canceled or non-renewed, that party shall promptly replace the policy with a substantially similar policy from an insurer with an A.M. Best's Insurance Rating of A-:VIII or better (provided that Tenant may provide a notice of self-insurance), and that party will provide evidence of same to the other party.

(d) **Waiver of Subrogation.** Intentionally omitted.

11. **Fire Or Other Casualty.**

(a) **Destruction of the Building.** If the Building should be substantially destroyed (which, as used herein, means destruction or damage to at least 50% of the Building) by fire or other casualty and, in Landlord's reasonable judgment, the Building cannot be reconstructed or restored within one hundred twenty (120) days of such casualty to substantially the same condition as it was in prior to such casualty, Landlord shall give notice thereof and either party hereto may, at its option, terminate this Lease by giving written notice thereof to the other party within thirty (30) days of such casualty. In such event, Rent shall be apportioned to and shall cease as of the date of such casualty. If neither party exercises this option, then the core and shell (as hereinafter defined) of the Building (including any elements thereof within the Premises) shall be reconstructed and restored, at Landlord's expense, to substantially the same condition as they were prior to the casualty. With respect to any casualty to the Building which, in the Landlord's reasonable judgment can be reconstructed or restored within 120 days of such casualty to substantially the same condition, and if Landlord fails to substantially complete such reconstruction and restoration within such one hundred twenty (120) day period, then Tenant may, at its option, terminate this Lease by giving written notice thereof to Landlord within thirty

(30) days after the expiration of such one hundred twenty (120) day period, and in the event such reconstruction and restoration shall not have been substantially completed by Landlord within such thirty (30) day notice period this Lease shall terminate.

(b) **Destruction of the Premises.** If the Premises are damaged, in whole or in part, by fire or other casualty, but the Building is not substantially destroyed as provided above, then the parties hereto shall have the following options:

(i) If, in Landlord's reasonable judgment, the shell and core elements of the Building within the Premises (the "Premises shell and core") cannot be reconstructed or restored within one hundred twenty (120) days of such casualty to substantially the same condition as they were in prior to such casualty, Landlord may terminate this Lease by written notice given to Tenant within thirty (30) days of the casualty. If, in Landlord's reasonable judgment, the Premises shell and core cannot be reconstructed or restored within one hundred twenty (120) days of such casualty to substantially the same condition as they were in prior to such casualty, but nonetheless Landlord does not so elect to terminate this Lease, then Landlord shall notify Tenant, within thirty (30) days after the casualty, of the amount of time necessary, as reasonably estimated by Landlord, to reconstruct or restore the Premises shell and core. After receipt of such notice from Landlord, Tenant may elect to terminate this Lease. This election shall be made by Tenant by giving written notice to Landlord within fifteen (15) days after the date of Landlord's notice. If neither party terminates this Lease pursuant to the foregoing, Landlord shall proceed to reconstruct and restore the Premises shell and core to substantially the same condition as they were in prior to the casualty. In the event neither party terminates this Lease pursuant to the foregoing, this Lease shall continue in full force and effect to the balance of the Term, upon the same terms, conditions and covenants as are contained herein; provided, however, that Rent shall be abated in the proportion which the approximate area of the untenable (as hereinafter defined) portion of the Premises bears to the total area in the Premises, from the date of the casualty until substantial completion of the reconstruction of the Premises shell and core.

Notwithstanding the above, but subject to the last sentence of this paragraph, if the casualty occurs during the last twelve (12) months of the Term (as the same may have been extended or renewed), either party hereto shall have the right to terminate this Lease as of the date of the casualty, which right shall be exercised by written notice to be given by either party to the other party within thirty (30) days of such casualty. If this right is exercised, Rent shall be apportioned to and shall cease as of the date of the termination. Notwithstanding the foregoing, if a casualty occurs during the last twelve (12) months of the Term, Landlord may not terminate this Lease without Tenant's written consent if Tenant has any unexercised renewal options hereunder and irrevocably agrees to exercise such renewal option.

(ii) If, in Landlord's reasonable judgment, the Premises shell and core are able to be restored within one hundred twenty (120) days of such casualty to substantially the same condition as they were prior to such casualty, Landlord shall so notify Tenant within thirty (30) days of the casualty, and Landlord shall then proceed to reconstruct and

restore the damaged portion of the Premises shell and core, at Landlord's expense, to substantially the same condition as it was prior to the casualty, Rent shall be abated in the proportion which the approximate area of the untenable portion bears to the total area in the Premises from the date of the casualty until substantial completion of the reconstruction repairs, and this Lease shall continue in full force and effect for the balance of the Term, upon the same terms, conditions and covenants as are contained herein.

(iii) If Landlord undertakes reconstruction or restoration of the Premises shell and core pursuant to subparagraph (i) or (ii) above, Landlord shall use reasonable diligence in completing such reconstruction repairs, but if Landlord fails to substantially complete the same within one hundred twenty (120) days from the date of the casualty (except however, if under subparagraph (i) above Landlord notified Tenant that it would take longer than one hundred twenty (120) days to reconstruct or restore the Premises shell and core, but Tenant nonetheless elected not to terminate the Lease but require Landlord to reconstruct or restore the Premises shell and core, then the foregoing one hundred twenty (120) day period shall be extended to the time period set forth in Landlord's notice, except as a result of any of the occurrences set forth in Section 22(h) below, Tenant may, at its option, terminate this Lease upon giving Landlord written notice to that effect, whereupon both parties shall be released from all further obligations and liability hereunder.

(c) **Repair by Tenant.** After substantial completion of the reconstruction repairs by Landlord, Tenant shall, in accordance with Section 9, proceed with reasonable promptness to repair and restore all of Tenant's Alterations and all other alterations, additions and improvements in the Premises, to as near the condition which existed prior to the fire or other casualty as is reasonably possible. Tenant agrees and acknowledges that Landlord shall be entitled to the proceeds of any insurance coverage carried by Tenant relating to improvements and betterments to the Premises, to the extent Landlord is obligated under this Section 11 to repair or restore damage to those items covered by such insurance.

(d) **Untenantability.** As used in this Section 11, the term "untenantable" means reasonably incapable of being occupied for its intended use due to damage to the Premises or Building. Notwithstanding anything contained to the contrary in this Section 11, neither the Premises nor any portion of the Premises shall be deemed untenable if Landlord is not required to repair or restore same (or if Landlord is required to repair or restore same, then following such time as Landlord has substantially completed the repair and restoration work required to be performed by Landlord under this Section 11), or if Tenant continues to actually occupy the subject portion of the Premises.

(e) **Core and Shell.** The term "core and shell" shall mean and refer to structural elements of the Building, including the roof, foundation and exterior walls and common base Building mechanical, electrical and plumbing systems, including any elements thereof located within the Premises, and specifically excludes any work related to tenant improvements constructed by or for Tenant or other tenants or installed within the Premises or within any other tenant's premises.

12. **Condemnation.**

(a) **Total Condemnation.** If all of the Premises is condemned by eminent domain, inversely condemned or sold in lieu of condemnation for any public or quasi-public use or purpose ("Condemned"), this Lease shall terminate as of the earlier of the date of title vesting in such proceeding or the date Tenant vacates the Premises, and Base Rent hereunder shall be adjusted to the date the Lease is terminated.

(b) **Partial Condemnation.** If any portion of the Building (including the Premises) or the real property upon which it is located is condemned, and such partial condemnation renders a material portion of the Premises untenable, as reasonably determined by Tenant, Tenant shall have the right to terminate this Lease by giving notice to Landlord of Tenant's desire to terminate, and this Lease shall terminate as of the termination date of the notice. If at least 25% of the total area of the Building is condemned, then the Landlord may terminate this Lease by giving notice to the Tenant of Landlord's desire to terminate and this Lease shall terminate as of the date contained in the notice. If such partial condemnation does not result in termination of the Lease, Landlord shall promptly restore the remaining Premises to the same condition they were in prior to such condemnation, less the portion thereof lost due to such condemnation, and this Lease shall continue in full force and effect except that Base Rent shall be adjusted on the basis of the square footage condemned as of the date the Premises is condemned.

(c) **Award.** Landlord shall be entitled to receive the entire award paid if the Building, or the land on which it is located is wholly or partially condemned. Tenant shall have no claim against or right to receive from the Landlord or the condemning authority any compensation for the value of any unexpired portion of the Lease term and Tenant expressly assigns to Landlord all of its right in and to any such award or compensation. Nothing contained in this Section 12(c) shall be deemed to prevent Tenant from making a separate claim in any such condemnation proceedings for the value of any of Tenant's property included in such taking and for any moving expenses, provided the same shall not otherwise reduce the award to which the Landlord is otherwise entitled.

13. **Assignment And Subletting.**

(a) **Landlord's Consent.** Tenant shall not, without the prior written consent of Landlord as provided in Section 13(b), (i) sublease or permit the subleasing of the Premise or any portion of the Premises, or (ii) assign its interest in this Lease, or any part thereof, whether voluntarily or by operation of law or (iii) mortgage or encumber its interest in this Lease, in either case, on whole or in part, or (iv) permit the premises to be occupied or be used for desk space, mailing privileges, or otherwise by any entity or person other than Tenant. Any such assignment or sublease described in the preceding sentence (a "Transfer") occurring without the prior written consent of Landlord shall be void and of no effect. Landlord's consent to any Transfer shall not constitute a waiver of Landlord's right to withhold its consent to any future Transfer. If Landlord consents to a Transfer or in the event of a Permitted Transfer (as described below), Tenant shall be released from all liability hereunder accruing after the date of such Transfer or Permitted Transfer. Landlord may require as a condition to its consent to any

assignment of this Lease that the assignee execute an instrument in which such assignee assumes the obligations of Tenant hereunder. Notwithstanding the foregoing, Landlord's consent shall not be required for any of the following transfers (each of which shall be a "Permitted Transfer"):

- (1) a public offering or transfer of shares of Tenant on a stock exchange or equivalent trading system,
- (2) a Transfer to any person(s) or entity who controls, is controlled by or is under common control with Tenant,
- (3) a Transfer to any entity resulting from the merger, consolidation or other reorganization with Tenant, whether or not Tenant is the surviving entity or
- (4) a Transfer to any person or legal entity which acquires all or substantially all of the assets or stock (or other ownership interests) of Tenant (each of the foregoing is hereinafter referred to as a "Tenant Affiliate");

provided that before such assignment shall be effective, (a) said Tenant Affiliate shall assume, in full, the obligations of Tenant under this Lease, (b) Landlord shall be given written notice of such assignment and assumption and (c) the use of the Premises by the Tenant Affiliate shall be the same use as for Tenant under the Lease. For purposes of this paragraph, a public or private offering of Tenant stock is a Permitted Transfer and the term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management, affairs and policies of anyone, whether through the ownership of voting securities, by contract or otherwise. Either a transfer (including the issuance of treasury stock or the creation and issuance of new stock or a new class of stock) of a controlling interest in the shares of Tenant or of any entity which holds an interest in Tenant through one or more intermediaries (if Tenant or such entity is a corporation or trust) or a transfer of a majority of the total interest in Tenant or of any entity which holds an interest in Tenant through one or more intermediaries (if Tenant or such entity is a partnership or other entity) at any one time or over a period of time through a series of transfers, directly or indirectly, shall be deemed an assignment of this Lease and shall be subject to all of the provisions of this Article 13; provided, however, that the transfer or issuance of shares of Tenant or of any entity which holds an interest in Tenant through one or more intermediaries (if Tenant or such entity is a corporation or trust) for purposes of this Section 12.1 shall not include the sale of shares by persons other than those deemed "insiders" within the meaning of the Securities Exchange Act of 1934, as amended, which sale is effected through the "over-the-counter market" or through any recognized stock exchange. Tenant shall reimburse Landlord on demand for any reasonable out-of-pocket costs that Landlord incurs in connection with any proposed assignment of Tenant's interest in this Lease or any proposed subletting of the Premises or any part thereof, including, without limitation, reasonable attorneys' fees and disbursements and the reasonable costs of making investigations as to the acceptability of the proposed subtenant or the proposed assignee. Neither an assignment of Tenant's interest in this Lease nor any subletting, occupancy or use of the Premises or any part thereof by any Person other than Tenant, nor any collection of Rental by Landlord from any Person other than Tenant shall, in any circumstances, relieve Tenant of its obligations under this Lease on Tenant's part to be observed and performed.

(b) **Standards for Consent.** If Tenant desires the consent of Landlord to a Transfer, Tenant shall submit to Landlord, at least thirty (30) days prior to the proposed effective date of the Transfer, a written notice which includes a reasonably detailed description of the proposed Transfer and the transferee. Landlord shall not unreasonably withhold, delay or condition its consent to any assignment or sublease, which consent or lack thereof shall be provided within thirty (30) days of receipt of Tenant's notice. Landlord shall not be deemed to have unreasonably withheld its consent if, in the reasonable judgment of Landlord: (i) the transferee

is of a character or engaged in a business which is not in keeping with the standards or criteria used by Landlord in leasing the Building; (ii) the financial condition of the transferee is such that it may not be able to perform its obligations in connection with this Lease; or (iii) in the judgment of Landlord, such a Transfer would violate any term, condition, covenant or agreement of the Landlord involving the Building or any other tenant's lease within it. If Landlord wrongfully withholds, delays or conditions its consent to any Transfer, Tenant shall be entitled to all remedies available at law and in equity.

14. **Surrender.** Upon termination of the Term or Tenant's right to possession of the Premises, Tenant agrees that it will surrender, yield up and deliver the Premises in good and clean condition, except the effects of ordinary wear and tear and depreciation arising from lapse of time, and damage without fault or liability of Tenant, by fire or other casualty or loss by condemnation. Tenant may at any time during the Term or renewal thereof remove any fixture or equipment which Tenant has installed in the Premises, providing Tenant repairs any damages caused by said removal. If Landlord requires Tenant to remove any Alterations pursuant to Section 9, then such removal shall be done in a good and workmanlike manner, and upon such removal Tenant shall repair any damage to the Premises caused thereby. If Tenant does not remove such Alterations after request to do so by Landlord, Landlord may remove the same and so repair the Premises, and Tenant shall pay the reasonable cost of such removal and repair to Landlord within fifteen (15) days after written demand.

15. **Defaults And Remedies.**

(a) **Default.** The occurrence or existence of any one or more of the following shall constitute a "Default" by Tenant under this Lease: (i) Tenant fails to pay any installment or other payment of Rent within five (5) days after written notice of such failure from Landlord to Tenant; (ii) Tenant fails to observe or perform any of the other covenants, conditions or provisions of this Lease and fails to cure such default within thirty (30) days after written notice thereof to Tenant (provided that such 30-day period shall be extended for the time reasonably required to complete such cure, not exceeding a 150-day period, if such failure cannot reasonably be cured within said 30-day period and Tenant commences to cure such failure within said 30-days and thereafter diligently and continuously proceeds to cure such failure); (iii) the interest of Tenant in this Lease is levied upon execution or other legal process; (iv) a petition is filed by or against Tenant to declare Tenant bankrupt or seeking a plan of reorganization or arrangement under any Chapter of the bankruptcy Code (or similar law for the relief of debtors), or any amendment, replacement, or substitution therefor, or to delay payment of, reduce or modify Tenant's debts, which in the case of any involuntary action is not discharged within sixty (60) days; (vi) Tenant is declared insolvent by law or any assignment of Tenant's property is made for the benefit of creditors; (vii) a receiver is appointed for Tenant or Tenant's property, which appointment is not discharged within sixty (60) days; or (viii) upon the dissolution of Tenant.

(b) **Right of Re-Entry.** Upon the occurrence of an Event of Default, Landlord may elect to terminate this Lease or, without terminating this Lease, terminate Tenant's right to possession of the Premises. Upon any such termination, Tenant shall immediately surrender and vacate the Premises and deliver possession thereof to Landlord. Tenant grants to Landlord the right, with due process of law, to enter and repossess the Premises and to expel Tenant and any

others who may be occupying the Premises and to remove any and all property therefrom, without being deemed in any manner guilty of trespass and without relinquishing Landlord's rights to Rent or any other right given to Landlord hereunder or by operation of law.

(c) **Termination of Right to Possession.** If Landlord terminates Tenant's right to possession of the Premises without terminating this Lease, Landlord shall use reasonable efforts to mitigate its damages and in such regard Landlord shall use reasonable efforts to relet the Premises on such terms as Landlord shall reasonably deem appropriate; provided, however, Landlord shall not be required to prefer reletting of the Premises over Landlord's other available space in the Building and shall not be required to accept any tenant offered by Tenant or to observe any instructions given by Tenant about such reletting. Tenant shall reimburse Landlord for the costs and expenses of reletting the Premises including, but not limited to, all brokerage, advertising, legal, repairs and other expenses incurred to secure a new tenant for the Premises. In addition, if the consideration collected by Landlord upon any such reletting, after payment of the expenses of reletting the Premises which have not been reimbursed by Tenant, is insufficient to pay monthly the full amount of the Rent, Tenant shall pay to Landlord the amount of each monthly deficiency as it becomes due. If such consideration is greater than the amount necessary to pay the full amount of the Rent, the full amount of such excess shall be retained by Landlord and shall in no event be payable to Tenant.

(d) **Termination of Lease.** If Landlord terminates this Lease, Landlord may recover from Tenant and Tenant shall pay to Landlord, on demand, as and for liquidated and final damages, an accelerated lump sum amount equal to the amount by which (i) the aggregate amount of Rent owing from the date of such termination through the Expiration Date plus Landlord's aggregate expenses of reletting the Premises, exceeds (ii) Landlord's reasonable estimate of the fair rental value of the Premises for the same period (after deducting from such fair rental value the time needed to relet the Premises and the amount of concessions which would normally be given to a new tenant) both (i) and (ii) discounted to present value at the rate of eight percent (8%) per annum.

(e) **Other Remedies.** Upon the occurrence of an Event of Default, Landlord may, but shall not be obligated to, perform any obligation of Tenant under this Lease necessary to cure such Event of Default, and, if Landlord so elects, all costs and expenses paid by Landlord in performing such obligation, together with interest at the Default Rate, shall be reimbursed by Tenant to Landlord on demand. Any and all remedies set forth in this Lease: (i) shall be in addition to any and all other remedies Landlord may have at law or in equity; (ii) shall be cumulative; and (iii) may be pursued successively or concurrently as Landlord may elect. The exercise of any remedy by Landlord shall not be deemed an election of remedies or preclude Landlord from exercising any other remedies in the future.

(f) **Limitation of Tenant's Damages.** Notwithstanding anything to the contrary set forth in this Lease or any default damages that may be permitted or authorized by applicable law, in no event shall damages recoverable from Tenant as a consequence of Tenant's default, excluding acts of omission of Tenant constituting willful misconduct, fraud or gross negligence, under this Lease include any of the following:

- (i) consequential or punitive damages;
- (ii) loss of business or profits by Landlord or any other tenant or occupant of the Building;
- (iii) diminution of the value of the Premises or the Building (or any portion thereof);
- (iv) costs incurred or allowances granted by Landlord for the demolition, alteration, remodeling or build-out of the Premises to make them suitable for use by any subsequent tenant or occupant thereof; or
- (v) leasing commissions and/or brokerage fees to the extent allocable to any period after the expiration date of the original Term of this Lease (as such Term may be extended by any renewals or extensions either exercised by Tenant or otherwise agreed to by Landlord and Tenant prior to occurrence of an Event of Default).

(g) **Bankruptcy.** If Tenant becomes bankrupt, the bankruptcy trustee shall not have the right to assume or assign this Lease unless the trustee complies with all requirements of the United States Bankruptcy Code and with respect to any assignments of this Lease relating to an assignment, and Landlord expressly reserves all of its rights, claims and remedies thereunder and hereunder.

(h) **Waivers of Jury Trial and Certain Damages.** Landlord and Tenant each hereby expressly, irrevocably, fully and forever releases, waives and relinquishes any and all right to trial by jury and any and all right to receive punitive, exemplary and consequential damages from the other (or any past, present or future board member, trustee, director, officer, employee, agent, representative or advisor of the other) in any claim, demand, action, suit, proceeding or cause of action in which Landlord and Tenant are parties, which in any way (directly or indirectly) arises out of, results from or relates to any of the following, in each case whether now existing or hereafter arising and whether based on contract or tort or any other legal basis: this Lease; any past, present or future act, omission, conduct or activity with respect to this Lease; any transaction, event or occurrence contemplated by this Lease; the performance of any obligation or the exercise of any right under this Lease; or the enforcement of this Lease. Landlord and Tenant reserve the right to recover actual or compensatory damages, with interest, attorneys' fees, costs and expenses as provided in this Lease, for any breach of this Lease.

(i) **Venue.** If either Landlord or Tenant desires to bring an action against the other in connection with this Lease, such action shall be brought in the state courts located in the county in which the Building is located. Landlord and Tenant consent to the jurisdiction of such courts and waive any right to have such action transferred from such courts on the grounds of improper venue or inconvenient forum.

(j) **Landlord Default.** Landlord shall be deemed to be in default under the Lease if Tenant has given written (or verbal, in case of emergency) notice to Landlord (and, if requested by Landlord, to Landlord's mortgagee if the mortgagee has notified Tenant in writing of its

interest and the address to which such notices are to be sent) of any such default by Landlord and Landlord has failed to cure such default within thirty (30) days (or immediately, in case of emergency) after Landlord received notice thereof. Provided, however, that if the nature of Landlord's default in a non-emergency situation is such that more than thirty (30) days are reasonably required for a cure, then Landlord shall not be deemed to be in default for up to an additional 30-day period if Landlord commences such cure within the original thirty (30) day period and thereafter diligently prosecutes the cure to completion within the additional 30-day period. In the event Landlord defaults in any obligation under the Lease and the applicable cure period has expired, Tenant shall be entitled to cure the default, at Tenant's option, including the payment of monies directly to the party to whom the obligation is owed, or Tenant may terminate the Lease by notice to Landlord at any time before the default is cured, or Tenant may pursue any other remedy permitted or available to Tenant under applicable law. In the event of any such payment by Tenant, Tenant shall receive credit toward any Rent due to Landlord to the extent of any payment made. Tenant shall be entitled to a fair and reasonable abatement of Rent during the time and to the extent that the Premises are untenantable as a result of Landlord's failure to perform any condition or covenant required under the Lease to be performed by Landlord. The failure of Tenant to pursue any remedy shall not be deemed as a waiver by reason of any subsequent breach or breaches by the Landlord. The exercise of any remedy by Tenant shall not be deemed an election of remedies or preclude Tenant from exercising any other remedies in the future.

16. **Holding Over.** If Tenant remains in possession of the Premises after expiration of the Term and any extensions thereof, Tenant shall pay Base Rent on a per diem basis equal to one hundred fifteen percent (115%) of the per diem monthly Base Rent payable in the last month of the Term for the first thirty (30) days of such holdover, and thereafter at one hundred twenty-five percent (125%) of such per diem monthly Base Rent.

17. **Estoppel Certificate.** Tenant shall, within thirty (30) days following written request therefor by Landlord, which request must include a factually accurate, entirely completed (without blanks) certificate, execute and deliver to Landlord a certificate stating that (i) the Lease is unmodified and in full force and effect or, if modified, stating the nature of such modification; (ii) the date to which Base Rent is paid in advance, if any, and (iii) acknowledging that Tenant is not in default and that there are not, to the best of its knowledge, any uncured defaults on the part of Landlord, or if there are uncured defaults, stating the nature of such uncured defaults.

18. **Subordination.** This Lease shall be subject and subordinate to each and any mortgage, deed of trust or ground or underlying lease affecting Landlord's interest in the Building.

19. **Quiet Enjoyment.** As long as no Event of Default exists, Tenant shall peacefully and quietly have and enjoy the Premises for the Term, free from interference by Landlord, or any party claiming by, through or under Landlord, subject, however, to the provisions of this Lease.

20. **Brokers.** Landlord and Tenant each warrants and represents for the benefit of the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, except for any Broker(s) specified in the Schedule, and that it knows of no other real estate broker or agent who is or might be entitled to a real estate brokerage commission or

finder's fee in connection with this Lease. Landlord shall indemnify and hold harmless Tenant from and against any claims by the Broker(s) stated in the Schedule. Each party shall indemnify and hold harmless the other from and against any and all liabilities or expenses arising out of claims made by any broker (other than the Broker(s) specifically mentioned herein) or individual for commissions or fees resulting from the actions of the indemnifying party in connection with this Lease.

21. **Notices.** Any notice, demand, request, consent, approval, disapproval or certificate ("Notice") required or desired to be given under this Lease shall be in writing and given by certified mail, return receipt requested, by personal delivery or by Federal Express or a similar nationwide over-night delivery service providing a receipt for delivery. Notices may not be given by facsimile. The date of receipt of any Notice shall be deemed to be the date upon which delivery is actually made by one of the methods described in this Section 21 (or attempted if said delivery is refused or rejected). If a Notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day. All notices, demands, requests, consents, approvals, disapprovals, or certificates shall be addressed as follows:

If to Landlord:	Chicago Christian Industrial League 2750 West Roosevelt Road Chicago, Illinois 60606 Attn: Executive Director
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With copy to:	None
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If to Tenant:	Chicago Housing Authority 60 East Van Buren, 8th Floor Chicago, Illinois 60605 Attn: Senior Vice President HCV Program
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With copy to:	Chicago Housing Authority Office of the General Counsel 60 East Van Buren, 12 th Floor Chicago, Illinois 60605 Attn: General Counsel
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Either party may change its address by giving reasonable advance written Notice of its new address in accordance with the methods described in this Section 21.

22. **Miscellaneous.**

(a) **Successors and Assigns.** Subject to Section 13 of this Lease, each provision of this Lease shall extend to, bind and inure to the benefit of Landlord and Tenant and their respective legal representatives, successors and assigns, and all references herein to Landlord and Tenant shall be deemed to include all such parties.

(b) **Entire Agreement.** None of the covenants, provisions, terms or conditions of this Lease to be kept or performed by Landlord or Tenant shall be in any manner modified, waived or abandoned, except by a written instrument duly signed by the parties and delivered to the Landlord and Tenant. This Lease contains the whole agreement of the parties.

(c) **Time of Essence.** Time is of the essence of this Lease and each and all of its provisions.

(d) **Execution and Delivery.** Submission of this instrument for examination or signature by Tenant does not constitute a reservation of space or an option for lease, and it is not effective until execution and delivery by both Landlord and Tenant.

(e) **Severability.** The invalidity or unenforceability of any provision of this Lease shall not affect or impair any other provisions.

(f) **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the state in which the Building is located applicable to contracts entered into in such state by parties residing therein.

(g) **Attorneys' Fees.** In any action or proceeding which Landlord or Tenant brings to enforce its respective rights hereunder or to enforce any judgment granted in connection therewith, the unsuccessful party shall pay all costs incurred by the prevailing party (whether or not the action or proceeding is pursued to judgment), including reasonable attorneys' fees fixed by the court, and said costs and attorneys' fees shall be a part of the judgment in said action. For purposes of this Lease a party shall be considered the "prevailing party" to the extent that (1) such party initiated the litigation and substantially obtained the relief which it sought) whether by judgment, voluntary agreement or action of the other party, trial or alternative dispute resolution process), (2) such party did not initiate the litigation and did not receive judgment in its favor, but the party receiving the judgment did not substantially obtain the relief which it sought, or (3) the other party to the litigation withdrew its claim or action without having substantially received the relief which it was seeking.

(h) **Force Majeure.** Except for Tenant's obligation to timely pay Rent, neither party shall be in default hereunder if such party is prevented from performing any of its obligations hereunder due to any accident, breakage, strike, shortage of materials, acts of God or other causes beyond such party's reasonable control.

(i) **Captions.** The headings and titles in this Lease are for convenience only and shall have no effect upon the construction or interpretation of this Lease.

(j) **No Waiver.** No receipt of money by Landlord from Tenant after termination of this Lease or after the service of any notice or after the commencing of any suit or after final judgment for possession of the Premises shall renew, reinstate, continue or extend the Term or affect any such notice or suit. No waiver of any default of Tenant shall be implied from any omission by Landlord to take any action on account of such default if such default persists or be

repeated, and no express waiver shall affect any default other than the default specified in the express waiver and then only for the time and to the extent therein stated.

(k) **Hazardous Materials.** As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste, including but not limited to any solvents, metals, petroleum, lead-based paint, PCBs, or asbestos, which is or becomes regulated by any local governmental authority or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is (a) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazards waste" or similar term under the law of the jurisdiction where the property is located or (b) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317), (c) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (45 U.S.C. § 6903), or (d) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601). Notwithstanding any other provision of this Lease, Landlord represents that it is unaware of any Hazardous Materials in, on or about the Building or Premises. Notwithstanding the fact that Landlord represents that it is unaware of any Hazardous Materials in, on or about the Building or Premises, Landlord shall (i) cause, at its sole cost and expense, any or all such Hazardous Materials discovered in, or about the Building or Premises to be removed and (ii) indemnify and hold Tenant harmless against and from all liability and claims of any kind for loss or damage to Tenant, or its employees or agents, and for expenses and fees of Tenant (including but not limited to reasonable costs, expenses and attorneys' fees), incurred, directly or indirectly, as a result of (a) the existence of such Hazardous Materials in the Premises as of the date possession of the Premises is delivered to Tenant or (b) any acts or omissions of Landlord, or other tenants (past or future), or their officers, employees, agents or contractors with respect to their use, generation, disposal, storage, or transportation of Hazardous Materials on or about the Building. Notwithstanding anything contained herein to the contrary, Landlord shall remove and remediate any Hazardous Materials in, on, under or about the Premises prior to the delivery of possession of the Premises to Tenant. In addition, in the event that any Hazardous Material is discovered by Tenant within the Premises after the date of this Lease, Tenant shall promptly notify Landlord, and shall consult with Landlord concerning appropriate procedures to be followed. If the Hazardous Material was not introduced into the Premises by Tenant or its employees, agents or contractors, then Landlord shall, to the extent required by law, at Landlord's sole cost and expense, perform any necessary remedial work. If the Hazardous Material was introduced into the Premises by Tenant or its employees, agent or contractors, then Tenant shall, to the extent required by law, at Tenant's sole cost and expense, perform any necessary remedial work. If the Hazardous Material was not introduced into the Premises by Tenant or its employees, agents or contractors, then during the period of the performance of such remedial work if Tenant is not, on a reasonable economic basis, able to, and does not, conduct its business at the Premises, then Tenant shall be allowed an abatement of Rent and all other charges payable by Tenant hereunder for the period commencing on the date that Tenant is not so able to, and does not so, conduct its business until Tenant's resumption of its business at the Premises. In the event Tenant should desire to make any alterations, additions or improvements to the Premises and is forced to incur any identifiable charges or expenses arising as a result of Hazardous Materials in or at the Premises, other than those Hazardous Materials brought onto the Premises by Tenant and which

would not have otherwise been incurred with respect to such measures, Landlord shall be fully responsible for and shall reimburse Tenant for such expenses, and Rent and all other charges payable by Tenant hereunder shall abate and the Term, at Tenant's option, shall be extended for a period equal to the period of the delay caused by the existence of said Hazardous Materials.

(l) **Parking.** Throughout the Term (as the same may be extended or renewed), Tenant and its employees, contractors and invitees shall be entitled to use in the Building's parking lot, free of charge, (i) ten (10) unreserved parking spaces on a first-come, first served basis, and (ii) one (1) reserved parking space at a location designated by Landlord and reasonably approved by Tenant.

(m) **Limitation of Liability.** The term Landlord as used in this Lease so far as covenants or obligations on the part of Landlord are concerned shall be limited to mean and include only the owner or owners at the time in question of the Landlord's interest in the Building. Tenant acknowledges and agrees, for itself and its successors and assigns, that no trustee, director, officer, employee or agent of Landlord shall be personally liable for any of the terms, covenants or obligations of Landlord hereunder, and Tenant shall look solely to Landlord's interest in the Building (including, without limitation, the rents, issues and proceeds therefrom) for the collection of any judgment (or enforcement of any other judicial process) requiring the payment of money by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed or performed by Landlord.

(n) **Consent.** Except where specifically noted otherwise, when the consent of either party is required under this Lease, such consent shall not be unreasonably withheld, delayed or conditioned.

(o) **Zoning Changes.** Should the zoning ordinance of the city or municipality in which the Premises is located make it impossible for Landlord or Tenant, as the case may be, using diligent and timely effort, to obtain necessary permits and to construct, repair and/or rebuild the Premises so that Tenant is unable to reasonably conduct its business as contemplated on the Premises, then Landlord or Tenant may terminate this Lease.

(p) **Counterparts.** This Lease may be executed in counterparts, each of which shall be deemed a part of an original and all of which together shall constitute one (1) agreement. Signature pages may be detached from the counterparts and attached to a single copy of this Lease to form one (1) document.

(q) **Authority.** Each of Landlord and Tenant represents and warrants to the other that the person executing this Lease on behalf of such party has the full right, power and authority to enter into and execute this Lease on such party's behalf.

23. **Right To Extend.** Tenant shall have two (2) 1-year options to extend the Term upon the terms and conditions of this Lease. Tenant shall exercise said options by written notice to Landlord given at least three (3) months prior to the expiration of the then current Term hereof.

24. **Right To Terminate.** Tenant shall have the option to cancel the Lease without fee or penalty, at any time after the third (3rd) Lease Year by providing the Landlord with three (3) months prior written notice.

25. **Signage.** Tenant shall have the right to install at its cost its corporate identification signage in a prominent location at the Building with Landlord's prior written approval, which shall not be unreasonably withheld.

26. **Furniture Fixtures And Equipment.** Landlord shall provide furniture as listed on Exhibit E. The Landlord's furniture noted in this Section 26 (and as provided for in Exhibit E) shall remain in the Premises for the Tenant's use during the lease period at no additional cost to the Tenant. The Tenant shall be responsible for any damage caused to the Landlord's furniture outside normal wear and tear caused by regular use during the lease period. Tenant shall provide all other needed furniture for the Premises at its cost and shall remove that furniture at the end of the lease period.

27. **Non-Appropriation.** Funding for this Lease is subject to (1) availability of Federal funds from HUD and (2) the approval of funding by the CHA Board of Commissioners. In the event that no funds or insufficient funds are appropriated and budgeted in any fiscal period of the CHA for payments to be made under this Lease, then the CHA may notify Landlord of such occurrence and this Lease shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriations was made or whenever the funds appropriated for payment under this lease are exhausted.

28. **Waiver of Sovereign Immunity.** To the full extent permitted by applicable law, Tenant hereby waives any rights of sovereign immunity with respect to matters relating to this Lease and consents to being sued with respect to such matters in accordance with the terms of this Lease.

29. **Tenant's Designated Contractor.** Landlord acknowledges and agrees that Tenant will allow a contractor, namely, Thomas & Herbert Consulting, LLC, as a permitted occupant in the Premises. Thomas & Herbert Consulting, LLC is responsible for the management and operation of a section of Tenant's Housing Choice Voucher Program. In the event that Tenant replaces Thomas & Herbert Consulting, LLC with another contractor, Tenant shall provide notice to Landlord of such contractor. Tenant's Contractor shall be subject to the same rules and regulations in the Lease as is indicated for Tenant's employees and shall be required to provide Landlord with a copy of a previous criminal background check for any employee or employees of Contractor that are assigned to this facility. Tenant shall supply the Landlord with a list of all assigned employees to the facility, identify any employee receiving a parking permit and shall update the Landlord to any changes in that list.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

TENANT:

CHICAGO HOUSING AUTHORITY, an
Illinois municipal corporation

By: 

Name: Lewis A. Jordan

Title: Chief Executive Officer

LANDLORD:

**CHICAGO CHRISTIAN INDUSTRIAL
LEAGUE**, an Illinois not-for-profit
corporation

By: 

Name: Mark G. Malzel

Title: VP COO