

3617 – 3625 SOUTH STATE STREET

CHICAGO, ILLINOIS

LEASE

Between

OVERTON, LLC, an Illinois limited liability company

LANDLORD

And

THE CHICAGO HOUSING AUTHORITY, a municipal corporation

TENANT

Dated: as of March 21, 2019

LEASE

THIS LEASE ("Lease") is made and entered into as of March 21, 2019, by and between THE CHICAGO HOUSING AUTHORITY, an Illinois municipal corporation ("Tenant") and OVERTON, LLC, an Illinois limited liability company ("Landlord"). The following exhibits and attachments are incorporated into and made a part of the Lease: **Exhibit A** (Outline and Location of Premises), **Exhibit B** (Taxes), **Exhibit C** (Tenant Work Letter) and **Exhibit D** (Building Rules).

1. Basic Lease Information.

1.01 "**Building**" shall mean the building located at 3617-3625 South State Street, Chicago, Illinois 60609. The "Rentable Square Footage of the Building" is deemed to be approximately 30,292 square feet.

1.02 "**Premises**" shall mean the entire first (1st) floor of the Building deemed to be approximately 6,325 square feet ("**First Floor Space**") and the entire second (2nd) floor of the Building deemed to be approximately 6,855 square feet ("**Second Floor Space**"), as depicted generally on the lease plan attached hereto as **Exhibit A**, together with the non-exclusive use of the common area facilities and amenities of the Building. Use of the common facilities shall be subject to reasonable rules and regulations promulgated by Landlord and communicated to Tenant in writing for the sharing of facilities and amenities with other tenants and occupants of the Building. The "Rentable Square Footage of the Premises shall be deemed to be approximately 13,180 square feet.

1.03 "**Base Rent**": based upon 13,180 square feet

	Lease Year	Rental Rate	Annual Base Rent	Monthly Base Rent
		Per Square Foot		
Initial Term	1	\$ 9.50	\$ 125,210.00	\$ 10,434.17
	2	\$ 9.79	\$ 128,966.30	\$ 10,747.19
	3	\$ 10.08	\$ 132,835.29	\$ 11,069.61
	4	\$ 10.38	\$ 136,820.35	\$ 11,401.70
	5	\$ 10.69	\$ 140,924.96	\$ 11,743.75
Option Period #1	6	\$ 11.01	\$ 145,152.71	\$ 12,096.06
	7	\$ 11.34	\$ 149,507.29	\$ 12,458.94
	8	\$ 11.68	\$ 153,992.51	\$ 12,832.71
	9	\$ 12.03	\$ 158,612.28	\$ 13,217.69
	10	\$ 12.40	\$ 163,370.65	\$ 13,614.22
Option Period #2	11	\$ 12.77	\$ 168,271.77	\$ 14,022.65
	12	\$ 13.15	\$ 173,319.92	\$ 14,443.33
	13	\$ 13.54	\$ 178,519.52	\$ 14,876.63
	14	\$ 13.95	\$ 183,875.11	\$ 15,322.93
	15	\$ 14.37	\$ 189,391.36	\$ 15,782.61

1.04 **“Additional Charges”**: based upon 13,180 square feet; and \$3.50 per square foot for Expenses and Insurance with 4% annual increases. Tenant's Pro Rata Share (hereafter defined) of Taxes (as defined in Exhibit B) shall be paid in accordance with **Exhibit B**.

	Lease Year	Per Square Foot	Annual Additional Charges	Monthly Additional Charges
Initial Term	1	\$ 3.50	\$ 46,130.00	\$ 3,844.17
	2	\$ 3.64	\$ 47,975.20	\$ 3,997.93
	3	\$ 3.79	\$ 49,894.21	\$ 4,157.85
	4	\$ 3.94	\$ 51,889.98	\$ 4,324.16
	5	\$ 4.09	\$ 53,965.58	\$ 4,497.13
Option Period #1	6	\$ 4.26	\$ 56,124.20	\$ 4,677.02
	7	\$ 4.43	\$ 58,369.17	\$ 4,864.10
	8	\$ 4.61	\$ 60,703.93	\$ 5,058.66
	9	\$ 4.79	\$ 63,132.09	\$ 5,261.01
	10	\$ 4.98	\$ 65,657.37	\$ 5,471.45
Option Period #2	11	\$ 5.18	\$ 68,283.67	\$ 5,690.31
	12	\$ 5.39	\$ 71,015.02	\$ 5,917.92
	13	\$ 5.60	\$ 73,855.62	\$ 6,154.63
	14	\$ 5.83	\$ 76,809.84	\$ 6,400.82
	15	\$ 6.06	\$ 79,882.23	\$ 6,656.85

1.05 **“Term”**: A period of five (5) years, commencing on the Commencement Date, unless sooner terminated or hereafter extended, as provided in the Lease.

1.06 **“Renewal Options”**: Two (2) periods of five (5) years each.

1.07 **“Commencement Date”**: March 21, 2019.

1.08 **“Possession Date”**: March 21, 2019, subject to the provisions of Section 4.01.

1.09 **“Expiration Date”**: The last day of the Term.

1.10 **“Common Area”**: Any area of the Property (defined below) that is designated by Landlord as being for the common use of Tenant and others.

1.11 **“Security Deposit”**: \$20,868.33.

1.12 **“Initial Payment”**: \$36,414.67 which represents the first month's Base Rent of \$10,434.17; Expenses of \$3,844.17; Taxes of \$1,268.00; and the Security Deposit of \$20,868.33. The Initial Payment shall be paid on the Commencement Date.

1.13 **Tenant's Pro Rata Share**" shall mean 43.5%, based upon the Rentable Square Footage of the Premises being approximately 13,180 square feet and the Rentable Square Footage of the Building being 30,292 square feet.

1.14 **"Broker"**: FP Commercial Real Estate.

1.15 **"Permitted Use"**:

First Floor Space: Retail and General Office use for Tenant's Section 3 residents and business enterprises and for no other purpose.

Second Floor Space: General Office use for Tenant's Section 3 program and for no other purpose.

1.16 **"Notice Addresses"**:

Landlord:

Overton Leasing LLC
3619 South State Street, 4th Floor
Chicago, IL 60690
Attn: Jared Davis

Tenant:

The Chicago Housing Authority
c/o FIC
4859 S. Wabash
Chicago, Illinois 60615
Attn: Cass Miller

1.17 **"Business Day"** shall mean Monday through Friday of each week, exclusive of New Year's Day, Presidents Day, Memorial Day, Independence Day, Martin Luther King Day, Labor Day, Thanksgiving Day and Christmas Day and other holidays commonly recognized in Chicago, Illinois (collectively, **"Holidays"**). Landlord may designate additional Holidays that are commonly recognized by other office buildings in the area where the Building is located.

1.18 **"Lease Year"** shall mean each twelve (12) month period during the Term. The first Lease Year shall commence on the Commencement Date and extend for twelve (12) months after the Commencement Date.

1.19 **"Governmental Authorities"** shall mean any of the United States of America, State of Illinois, City of Chicago, any political subdivision thereof and any agency, department, commission, board, bureau or instrumentality of any of the foregoing, now existing or hereafter created, having jurisdiction over the Property or any portion thereof or the vaults, curbs, sidewalks, streets and areas adjacent thereto.

1.20 **"Legal Requirements"** shall mean all present and future laws, rules, orders, ordinances, regulations, statutes, requirements, codes, executive orders, rules of common law, and any judicial interpretations thereof, extraordinary as well as ordinary, of all Governmental Authorities, including, but not limited to, The Americans with Disabilities Act of 1990 (42 U.S.C. §12,101 et seq.), the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.), the Chicago Building Code (Title 17 Municipal Code of Chicago), Title 4 of the Municipal Code of Chicago or Illinois Liquor Control Act of 1934, 235 ILCS 5/1 et seq. and any law of like import, and all rules, regulations and government orders with respect thereto, and of any applicable fire rating bureau, or other body exercising similar functions, affecting the Property or the maintenance, use or occupation thereof, or any

street or sidewalk comprising a part of or in front thereof or any vault in or under the Building.

1.21 **"Property"** shall mean the Building and the parcel(s) of land on which the Building is located and the parking facilities and other improvements, if any, serving the Building.

2. Lease Grant.

The Premises are hereby leased to Tenant from Landlord upon the terms and conditions set forth in the Lease.

3. Lease.

Landlord represents and warrants to Tenant that Landlord has authority to enter into this Lease upon the terms and conditions herein set forth.

4. Commencement Date; Delivery Date; Possession; Termination Option.

4.01 The Lease shall commence on the Commencement Date, subject to the provisions of the Lease. On the Commencement Date, Landlord shall receive (i) the Lease fully executed by Tenant, and (ii) the Initial Payment. Landlord agrees to deliver possession of the Premises to Tenant on the Commencement Date in AS IS condition, provided, however, that Landlord will not be obligated to deliver possession of the Premises to Tenant until Landlord has received from Tenant all of the following: (i) copies of policies of insurance or certificates thereof as required under the Lease; (ii) copies of all governmental permits and authorizations, if any, required in connection with Tenant's operation of its business within the Premises; and (iii) evidence of authority (together with certified copies of any corporate resolution necessary to evidence the due execution of this Lease on Tenant's behalf) as Landlord may reasonably require. Neither the Commencement Date nor Tenant's obligation to pay Rent from and after the Commencement Date will be affected or deferred on account of any delay or failure on the part of Tenant to deliver to Landlord the foregoing items in form and substance reasonably satisfactory to Landlord and otherwise in compliance with the terms of this Lease.

4.02 The Premises shall be accepted by Tenant in "as is" condition and configuration without any representations or warranties by Landlord or anyone acting on behalf of Landlord. Notwithstanding the foregoing, Landlord represents and warrants to Tenant that (i) Landlord has conducted an inspection of all Building systems, including, without limitation, HVAC, plumbing, fire safety and elevators, and any identified system deficiencies will be rectified prior to the Commencement Date; (ii) Landlord has established a preventative maintenance program for the Building and has scheduled regular periodic inspections for the next two (2) years; and (iii) Landlord is purchasing replacements parts for the HVAC systems so an inventory of parts will be available to expedite any necessary repairs required in the future. By delivery of possession of the Premises on the Commencement Date, Tenant will be deemed to have agreed that the Premises, the Building and the Property are in satisfactory order and condition for performance of Tenant's Work, subject to the express representations, warranties and covenants made by Landlord under the Lease. Tenant acknowledges that Landlord has disclosed to Tenant the possible existence of lead paint or other hazardous materials in the First Floor Space. Tenant acknowledges and agrees that it shall be exclusively responsible for compliance with all Legal Requirements for the removal, treatment or disposition of lead paint and/or hazardous materials in the First Floor Space in connection with the leasehold

improvements to the First Floor Space to be undertaken by Tenant pursuant to Section 4.03 below.

4.03 As a material inducement to Landlord to enter into this Lease and in reliance thereon, Tenant covenants and agrees to perform all leasehold improvements in the First Floor Space required for Tenant's use and occupancy of the First Floor Space for the Permitted Use in compliance with all Legal Requirements and the provisions of this Lease within one (1) year of the Commencement Date, time being of the essence. Tenant's obligation to perform such leasehold improvements within the one (1) year period ("**Improvement Condition**") shall be a condition precedent to Tenant's right to terminate the Lease pursuant to Section 4.04 below.

4.04 Provided Tenant has satisfied the Improvement Condition, Tenant shall have the right to terminate the Lease at any time from and after the later to occur of (i) the first anniversary of the Commencement Date, or (ii) completion of Tenant's Work in the First Floor Space ("**Termination Option**"). In order to effectively exercise the Termination Option, (i) Tenant must give Landlord prior notice of its intention to exercise the Termination Option as of a date which shall not be sooner than ninety (90) days from the Tenant's notice to Landlord ("**Early Termination Date**"), and (ii) no Default (hereinafter defined) has shall have occurred and be existing at the time of exercise of the Termination Option or the Early Termination Date.

5. Rent.

Tenant shall pay Landlord, without any setoff or deduction, all Base Rent and Additional Rent due for the Term (collectively, "**Rent**") from and after the Commencement Date, including payment of the Initial Payment on the Commencement Date. "**Additional Rent**" shall mean all sums (exclusive of Base Rent) that Tenant is required to pay Landlord under the Lease from and after the Commencement Date, including without limitation, Tenant's share of Expenses and Insurance in accordance with Section 1.04, Tenant's Pro Rata Share of Taxes in accordance with Exhibit B and the cost of all utility service to the Premises which is not the obligation of Landlord under Section 8.01. Tenant shall pay and be liable for all rental, sales and use taxes (but excluding income taxes), if any, imposed upon or measured by Rent. Base Rent and recurring monthly charges of Additional Rent shall be due and payable in advance on the first day of each calendar month without notice or demand, provided that the first installment of Base Rent for one (1) full calendar month of the Term shall be payable upon the execution of this Lease by Tenant. All other items of Rent shall be due and payable by Tenant on or before fifteen (15) days after billing by Landlord. Rent shall be made payable to the entity, and sent to the address, Landlord designates and shall be made by good and sufficient check or by other means acceptable to Landlord. Tenant shall pay Landlord an administration fee equal to five percent (5%) of all past due Rent. In addition, past due Rent shall bear interest at the rate of twelve percent (12%) per annum from the date when due until paid. Landlord's acceptance of less than the correct amount of Rent shall be considered a payment on account of the earliest Rent due. Rent for any partial month during the Term shall be prorated. No endorsement or statement on a check or letter accompanying payment shall be considered an accord and satisfaction. Tenant's covenant to pay Rent is independent of every other covenant in this Lease.

6. Compliance with Laws; Use.

6.01 The Premises shall be used for the Permitted Use and for no other use whatsoever. Tenant shall comply with all statutes, codes, ordinances, orders, rules and regulations of any municipal or governmental entity whether in effect now or later, including, without limitation, The Americans with Disabilities Act (collectively, "**Laws**"), regarding the operation of Tenant's business and the use, condition, configuration and occupancy of the Premises. In addition, Tenant shall, at its sole cost and expense, promptly comply with any

Laws that relate to the Base Building (defined below) to the extent such obligations are triggered by Tenant's use of the Premises or Alterations or improvements in the Premises performed or requested by Tenant. "**Base Building**" shall mean the structural portions of the Building. Tenant shall promptly provide Landlord with copies of any notices it receives regarding an alleged violation of Law. Tenant shall comply with the rules and regulations of the Building adopted by Landlord from time to time, including rules and regulations for the performance of Alterations (defined in Section 0). Landlord represents and warrants to Tenant that as of the date hereof, there are no existing building code violations with respect to the Building and the Building has passed all annual City of Chicago inspections.

6.02

(a) Tenant, as an additional inducement to Landlord to enter into this Lease, covenants and agrees that at all times: (i) the business to be conducted in or from the Premises and the services offered will be carried out in a manner consistent with office use taking into account the character of the Building and neighborhood in which the Building is located, (ii) the methods of operation employed in said business, as well as all advertising, will be dignified and in conformity with all Legal Requirements, and (iii) the appearance of the Premises, and of any sign (interior or exterior), lettering, announcement, or any other kinds or forms of inscriptions displayed in or about the Premises will be only such as meets with Landlord's reasonable approval (which shall not be unreasonably withheld or delayed) and, if at any time reasonably disapproved by Landlord, Tenant shall remove or correct the basis for such disapproval in such reasonable manner and within such reasonable time as may be specified by Landlord, in a written notice to Tenant for such purpose. Tenant acknowledges that the Building is registered on the National Historic Register and will limit the use of the exterior of the Building and Tenant's storefront in the First Floor Space. Tenant further recognizes that it may need the approval of the City of Chicago Landmarks Commission work in or to the Premises, in whole or in part. Tenant shall not install any curtains, blinds, shades or screens (including any changes thereto) in, on or about the Premises unless Landlord shall have approved (which approval shall not be unreasonably withheld) Tenant's plans and specifications for any such installation or change as to quality, type, dimension, content, color, material, location, manner of installation or change. Tenant shall not do or permit any act or thing in the Premises or on or about the Property or in connection with Tenant's business or do or permit any advertising which, in the reasonable judgment of Landlord, might harm or tend to harm the business or reputation of Landlord or reflect or tend to reflect unfavorably on the Building, Landlord or other tenants or occupants of the Building, or which would be reasonably likely to confuse or mislead or tend to confuse or mislead the public as to any apparent connection or relationship between Landlord and Tenant, or between Tenant and any other tenants or occupants of the Building, or otherwise.

(b) Tenant further covenants and agrees that Tenant, shall, at its sole cost and expense:

(i) keep the Premises in a neat, orderly, safe and sanitary condition and provide routine maintenance and stocking of restroom supplies, e.g., soaps, toilet paper, feminine products and the like, in the restrooms located within the Premises and intended for Tenant's sole and exclusive use. Landlord will be responsible for repairs in and to the restrooms located in the Premises or the systems and equipment therein;

(ii) display no lettering, sign, advertisement, notice or object, and permit no such display on or in the windows or doors or on the outside of the perimeter walls of the Premises or otherwise visible from the exterior of the Premises, except with the prior written consent of Landlord, which consent shall not be unreasonably withheld, and otherwise in conformity with all Legal Requirements;

(iii) not install, place or permit any awning on the perimeter walls of the Premises unless provided or consented to in writing by Landlord (which consent may be granted or denied in Landlord's sole and absolute discretion) and unless same complies with all Legal Requirements. Any such awning provided or consented to by Landlord shall, to the reasonable satisfaction of Landlord, be kept clean and in good order and state of repair and appearance by and at the expense of Tenant, including, whenever necessary in the reasonable judgment of Landlord, the replacement of awning coverings with materials reasonably approved by Landlord;

(iv) not use, play or operate or permit to be used, played or operated any sound making or sound reproducing device in or about the Premises that would create a nuisance;

(v) advise Tenant's employees and invitees not to loiter in the Building's lobby, or enter on any floor above the Building's lobby except the Second Floor Space on a strictly as need or permitted basis, or on any other floor of the Building unless expressly invited to such floor by a tenant of the Building;

(vi) cause all deliveries to the Premises through appropriate service corridors of the Building as reasonably designated by Landlord or Landlord's agents so as not to interfere with the operation of the Building;

(vii) wrap, cover, secure and dispose of wet garbage to dumpsters frequently enough so that garbage will not accumulate in the Premises. Landlord shall provide a dumpster for Tenant's use at no additional expense to Tenant. Tenant shall be responsible for any damage to walls or other parts of the Building caused in transporting garbage and shall immediately clean up any spilled refuse;

(viii) provide adequate security to the Premises on a continuous basis to preserve the security and safety of Tenant, its employees, guests and invitees;

(ix) not install or use any lighting equipment in or about the Premises which is visible from or casts light toward the exterior of the Premises in a manner reasonably likely to disturb the other tenants or occupants of the Property without the prior written consent of Landlord (which consent shall not be unreasonably withheld provided Landlord determines, in its reasonable judgment, that any such installation or use is not likely to cause such disturbance);

(x) not permit smoking by Tenant's employees, agents, contractors or invitees anywhere on the Property in violation of Legal Requirements.

(c) Landlord may impose upon Tenant, and Tenant will observe, any necessary and reasonable security requirements established by Landlord, and communicated, in advance, in writing to Tenant, for ingress and egress to and from the Building by Tenant, its employees, agents, contractors or invitees. Tenant will at all times be responsible for the conduct of its employees, agents, contractors and invitees in the Premises and the Building, and any violation of the terms of this Lease by any of said parties shall constitute a default by Tenant under this Lease after prior written notice and the expiration of the applicable cure period.

(d) Tenant acknowledges that the damages resulting from any breach of the provisions of this Section 6.02 may be difficult, if not impossible to ascertain and concedes that, among other remedies for such breach permitted under Legal Requirements or the provisions of this Lease, Landlord shall be entitled to seek appropriate equitable relief, including, without limitation, enjoining Tenant from any violation of said provisions. Nothing in this Section shall be construed as a limitation upon Landlord's right to recover monetary damages or pursue any other remedies as provided in this Lease.

7. Security Deposit.

The Security Deposit shall be delivered to Landlord on the Commencement Date and held by Landlord without liability for interest (unless required by Law) as security for the performance of Tenant's obligations. The Security Deposit is not an advance payment of Rent or a measure of damages. Landlord may use all or a portion of the Security Deposit to satisfy past due Rent or to cure any Default by Tenant, or to satisfy any other loss or damage resulting from Tenant's Default as provided in Section 19. If Landlord uses any portion of the Security Deposit, Tenant shall, within ten (10) business days after demand, restore the Security Deposit to its original amount. Landlord shall return any unapplied portion of the Security Deposit to Tenant within sixty (60) days after the later to occur of: (a) determination of the final Rent due from Tenant; or (b) the later to occur of the Expiration Date or the date Tenant surrenders the Premises to Landlord in compliance with Section 0. Landlord shall assign the Security Deposit to a successor or transferee and, following the assignment, Landlord shall have no further liability for the return of the Security Deposit. Landlord shall not be required to keep the Security Deposit separate from its other accounts. All references in this Section 7 to "Security Deposit" shall mean the Security Deposit then being held by Landlord, provided that Tenant shall have an ongoing obligation throughout the Term of the Lease to maintain the Security Deposit in the full original amount referenced in Section 1.11.

8. Building Services; Utilities.

8.01 Landlord shall provide the following services and utilities (the cost of which shall be included in Base Rent and Additional Charges except as otherwise provided in Section 8.02):

(A) Electricity and gas as is customarily required for the use of standard and customary office lighting, electrical outlets, equipment and accessories consistent with the level of service of other first-class office building properties of the same age and in the geographic vicinity of the Building. The Premises are separately metered, and Tenant shall pay the cost of service consumed within the Premises directly to the utility provider.

(B) Heat and air-conditioning to provide a temperature required, in Landlord's reasonable opinion and in accordance with applicable Law, for occupancy of the Premises under normal business operations, from 8:00 a.m. until 8:00 p.m. Monday through Friday, and from 8:00 a.m. to 1 p.m. on Saturday, except on holidays. Landlord shall not be responsible for inadequate air-conditioning or ventilation to the extent the same occurs because Tenant uses any item of equipment consuming in excess of the rated capacity of the existing electrical circuits serving the Premises without providing adequate air-conditioning and ventilation therefor.

(C) Water for drinking, lavatory and toilet purposes, including washrooms and office kitchens located in the Premises. Tenant shall pay Tenant's Pro Rata Share of the cost of water to the Building to Landlord as water is not separately metered within the Building.

(D) Operatorless passenger elevator service and freight elevator service (if the Building has such equipment serving the Premises and subject to scheduling and reasonable charges by Landlord) in common with Landlord and other tenants and their contractors, agents and visitors.

(E) Subject to the terms and conditions of this Lease, Tenant shall be entitled to access the Building and the Premises during normal business hours Monday through Friday from 8:00 a.m. to 8:00 p.m. and from 8:00 a.m. to 1 p.m. on Saturday. Use of the Building prior to 8:00 a.m. Monday through Friday or on Saturday shall be permitted, subject to Tenant's

compliance with the terms of the Lease. Tenant shall use the Building alarm system at all times other than during normal business hours and shall be responsible for any false alarms caused by the misuse of the alarm system by Tenant, its employees, agents, contractors or invitees.

(F) Tenant shall be responsible for its own janitorial service in the Premises.

Landlord may impose a reasonable charge for any utilities and services, including, without limitation, air conditioning, electricity, and water, provided by Landlord by reason of: (i) any use of the Premises at any time other than the hours set forth above; (ii) any utilities or services beyond what Landlord agrees herein to furnish; or (iii) special electrical, cooling and ventilating needs created by Tenant's telephone equipment, computer, electronic data processing equipment, copying equipment and other such equipment or uses.

Landlord does not warrant that any services or utilities will be free from shortages, failures, variations, or interruptions caused by repairs, maintenance, replacements, improvements, alterations, changes of service, strikes, lockouts, labor controversies, accidents, inability to obtain services, fuel, steam, water or supplies, governmental requirements or requests, or other causes beyond Landlord's reasonable control. None of the same shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof or render Landlord liable to Tenant for abatement of Rent or relieve Tenant from performance of Tenant's obligations under this Lease. Landlord in no event shall be liable for damages by reason of loss of profits, business interruption or other consequential damages. Notwithstanding the foregoing, if Tenant is denied access to the Premises for ten (10) or more consecutive Business Days through no fault or neglect of Tenant, Rent shall abate on a per diem basis from and after the ten (10) Business Day period until legal access to the Premises is restored.

8.02 Gas and electric service to the Premises shall be registered in Tenant's name and billed directly to Tenant. Landlord shall not be responsible for any costs associated with such utility service. Tenant's payment of all gas and electrical charges for utilities consumed in the Premises shall constitute Additional Rent under this Lease so as to entitle Landlord to all rights and remedies in respect of non-payment as for Base Rent.

9. Leasehold Improvements.

All improvements in and to the Premises, including Alterations and Tenant's Work (collectively, "**Leasehold Improvements**"), shall remain upon the Premises at the end of the Term without compensation to Tenant, provided that Tenant, at its expense, and in compliance with all applicable Law, shall remove the Leasehold Improvements if requested by Landlord and shall remove any Cable which Landlord requests be removed. In addition, Landlord, by written notice to Tenant, may require Tenant, at its expense, to remove any Alterations (the Cable and such other items collectively are referred to as "**Required Removables**"). Required Removables shall include, without limitation, internal stairways, raised floors, personal baths and showers, vaults, rolling file systems and structural alterations and modifications, if any. The Required Removables shall be removed by Tenant before the Expiration Date. Tenant shall repair damage caused by the installation or removal of Required Removables. If Tenant fails to perform its obligations in a timely manner, Landlord may perform such work at Tenant's expense. Tenant, at the time it requests approval for a proposed Alteration may request in writing that Landlord advise Tenant whether the Alteration, including any Tenant Work, or any portion thereof, is a Required Removable. Unless the Landlord specifically states in writing that the Alteration is not a Required Removable, the Alteration will be deemed a Required Removable.

10. Repairs and Alterations.

10.01 Landlord shall keep (i) the foundation and structural elements of the Building, including the roof, (ii) the Common Areas (except as otherwise required to be maintained by Tenant under this Lease), and (iii) the heating, air-conditioning, plumbing and other electrical, mechanical and electromotive installation equipment and fixtures in the Building in good repair. Landlord, however, shall not be required to make any repairs required due to the act or negligence of Tenant, its agents, contractors, employees or invitees; provided that any repairs required to be made to any structural components of the Building, any portion of the Common Area or any other part of the Building other than the Premises due to the act or negligence of Tenant, its agents, contractors, employees or invitees shall be made by Landlord, and Tenant shall reimburse Landlord for any such costs of such structural repairs or repairs to be made to the Common Area or any other part of the which are caused by Tenant's use or occupancy of the Premises or which are caused by the act or negligence of Tenant, its agents, contractors, employees, invitees or subtenants. In the event that the Premises should become in need of repairs required to be made by Landlord, Tenant must give as prompt as feasible (in light of the circumstances) written notice thereof to Landlord and Landlord will have a commercially reasonable time (taking into consideration the nature of such repair and the impact such state of disrepair has on Tenant) after receipt by Landlord of such written notice in which to make such repairs but in no event more than ten (10) Business Days from the date of Tenant's notice, provided, however, if the repair is not susceptible to cure within a ten (10) Business Day period, Landlord shall so advise Tenant within such ten (10) Business Day period of Landlord's plan of action for the repair and the estimated repair time required.

10.02 Tenant must keep the Premises in good, clean and habitable condition and must at its sole cost and expense make all needed repairs and replacements, including replacement of cracked or broken glass, except for repairs and replacements required to be made by Landlord. If any repairs required to be made by Tenant are not made within ten (10) Business Days after written notice delivered to Tenant by Landlord (or less than ten (10) Business Days in the case of a situation which by its nature requires an immediate response or a response within less than ten (10) Business Days), Landlord may at its option make such repairs without liability to Tenant for any loss or damage which may result to Tenant's business by reason of such repairs (except to the extent solely and directly caused by the gross negligence or willful misconduct of Landlord), and Tenant must pay to Landlord upon demand, as Additional Rent hereunder, the costs incurred by Landlord in connection with such repairs. If the nature, volume or complexity of any required repairs requires Landlord to consult with an independent architect, engineer or other consultant, Tenant will additionally reimburse Landlord for the reasonable fees and expenses reasonably incurred by Landlord with respect thereto.

10.03 Tenant shall not make alterations, repairs, additions or improvements or install any Cable (collectively, "**Alterations**") without first obtaining the written consent of Landlord in each instance, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria (a "**Cosmetic Alteration**"): (a) is of a cosmetic nature such as painting, wallpapering, hanging pictures and installing carpeting; (b) is not visible from the exterior of the Premises or Building; (c) will not affect the Base Building; and (d) does not require work to be performed inside the walls or above the ceiling of the Premises. Cosmetic Alterations shall be subject to all the other provisions of this Section 10.03. Prior to starting work, Tenant shall furnish Landlord with plans and specifications; names of contractors reasonably acceptable to Landlord (provided that Landlord may designate specific contractors with respect to Base Building); required permits and approvals; evidence of contractor's and subcontractor's insurance in amounts reasonably required by Landlord and naming Landlord as an additional insured; and any security for performance in amounts reasonably required by Landlord. Changes to the plans and specifications must also be submitted to Landlord for its approval, which approval shall not be unreasonably withheld. Alterations shall be constructed in a good and workmanlike manner using materials of a quality reasonably approved by

Landlord. Tenant shall reimburse Landlord for any reasonable expenses reasonably incurred by Landlord for third party examination of Tenant's plans for non-Cosmetic Alterations in an amount not to exceed One Thousand Five Hundred Dollars (\$1,500). Upon completion, Tenant shall furnish "as-built" plans for non-Cosmetic Alterations, completion affidavits and full and final waivers of lien. Landlord's approval of an Alteration shall not be deemed a representation by Landlord that the Alteration complies with Law. Notwithstanding anything to the contrary set forth in this Section 10.03, Tenant's initial work and leasehold improvements in and to the Premises ("**Tenant's Work**") shall be subject to, and performed in accordance with, Exhibit C.

11. Entry by Landlord.

Upon not less than forty-eight (48) hours prior notice, Landlord may enter the Premises to inspect, show or clean the Premises or to perform or facilitate the performance of repairs, alterations or additions to the Premises if required or any other portion of the Building. Except in emergencies or to provide Building services, Landlord shall provide Tenant with reasonable prior verbal notice of entry and shall use reasonable efforts to minimize any interference with Tenant's use of the Premises. If reasonably necessary, Landlord may temporarily close all or a portion of the Premises to perform repairs, alterations and additions. Entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Rent.

12. Assignment and Subletting.

Tenant shall not assign, sublease, transfer or encumber any interest in this Lease or allow any third party to use any portion of the Premises (collectively or individually, a "**Transfer**"). Notwithstanding the foregoing, Landlord acknowledges and agrees that the Permitted Use of the First Floor Space shall include Tenant providing incubator space to Section 3 residents and Section 3 businesses for their normal business operation at no charge to such users. Any Transfer in violation of this Section shall, at Landlord's option, be deemed a Default by Tenant as described in Section 0, and shall be voidable by Landlord. In no event shall any Transfer release or relieve Tenant from any obligation under this Lease. Tenant acknowledges that the prohibition on Transfer set forth in this Article 12 is a material inducement to Landlord to enter into this Lease at a rental rate which is below the market rental rate for the Premises. The prohibition on Transfer constitutes a material portion of the consideration to be paid to Landlord for the use and occupancy of the Premises during the Term.

13. Liens.

Tenant shall not permit mechanics' or other liens to be placed upon the Property, Premises or Tenant's leasehold interest in connection with any work or service done or purportedly done by or for the benefit of Tenant. Tenant, within fifteen (15) Business Days of notice from Landlord, shall fully discharge any lien by settlement, by bonding or by insuring over the lien in the manner prescribed by the applicable lien Law and, if Tenant fails to do so, Tenant shall be deemed in Default under this Lease and, in addition to any other remedies available to Landlord as a result of such Default by Tenant, Landlord, at its option, (at Tenant's cost) may bond, insure over or otherwise discharge the lien. Tenant shall reimburse Landlord for any amount paid by Landlord, including, without limitation, reasonable attorneys' fees.

14. Indemnity and Waiver of Claims.

Except to the extent caused by the gross negligence or willful misconduct of Landlord or any Landlord Related Parties (defined below), Tenant shall indemnify, defend and hold Landlord and Landlord Related Parties harmless against and from all liabilities, obligations, damages, penalties, claims, actions, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (if and to the extent permitted by Law) (collectively, "**Losses**"),

which may be imposed upon, incurred by or asserted against Landlord or any of the Landlord Related Parties by Tenant or any third party and arising out of or in connection with any damage or injury occurring in or around the Premises or Building or any acts or omissions (including violations of Law) of Tenant, the Tenant Related Parties (defined below) or any of Tenant's transferees, contractors or licensees. Tenant Related Parties shall mean Tenant, its trustees, members, principals, beneficiaries, partners, officers, directors, employees and agents, provided that in no event shall Section 3 businesses be included in Tenant Related Parties. Tenant hereby waives all claims against and releases Landlord and its trustees, members, principals, beneficiaries, partners, officers, directors, employees, Mortgagees (defined in Section 0) and agents (the "**Landlord Related Parties**") from all claims for any injury to or death of persons, damage to property or business loss in any manner related to (a) Force Majeure, (b) acts of third parties, (c) the bursting or leaking of any tank, water closet, drain or other pipe, (d) the inadequacy or failure of any security or protective services, personnel or equipment, or (e) any matter not within the reasonable control of Landlord.

15. Insurance.

Tenant shall maintain the following insurance ("**Tenant's Insurance**"): (a) Commercial General Liability Insurance applicable to the Premises and its appurtenances providing, on an occurrence basis, coverage of \$4,000,000 (\$1,000,000 primary general liability + \$3,000,000 umbrella) and \$5,000,000 aggregate (\$2,000,000 primary general liability + \$3,000,000 umbrella); (b) Property Insurance written on an All Risk or Special Cause of Loss Form, including earthquake sprinkler leakage, at replacement cost value and with a replacement cost endorsement covering all of Tenant's business and trade fixtures, equipment, movable partitions, furniture, merchandise and other personal property within the Premises ("**Tenant's Property**") and any leasehold improvements performed by or for the benefit of Tenant; (c) Workers' Compensation Insurance in amounts required by Law; (d) Employers Liability Coverage of at least \$1,000,000.00 per occurrence; and (e) sexual molestation and assault coverage. Any company writing Tenant's Insurance shall have an A.M. Best rating of not less than A-VIII. All Commercial General Liability Insurance policies shall name as additional insureds Landlord (or its successors and assignees), the managing agent for the Building (or any successor), and their respective members, principals, beneficiaries, partners, officers, directors, employees, and agents, and other designees of Landlord and its successors as the interest of such designees shall appear. All policies of Tenant's Insurance shall contain endorsements that the insurer(s) shall give Landlord and its designees at least thirty (30) days' advance written notice of any cancellation, termination, material change or lapse of insurance. Tenant shall provide Landlord with a certificate of insurance evidencing Tenant's Insurance prior to the earlier to occur of the Commencement Date or the date Tenant is provided with possession of the Premises, and thereafter as necessary to assure that Landlord always has current certificates evidencing Tenant's Insurance.

16. Subrogation.

Landlord and Tenant hereby waive and shall cause its respective insurance carriers to waive any and all rights of recovery, claims, actions or causes of action against the other party and the other party's Related Parties for any loss or damage with respect to any property loss, including rights, claims, actions and causes of action based on negligence, which loss or damage is (or would have been, had the insurance required by this Lease been carried) covered by insurance. Landlord's and Tenant's respective insurance policies will include a waiver of subrogation in customary form. For the purposes of this waiver, any deductible with respect to a party's insurance shall be deemed covered by and recoverable by such party under valid and collectable policies of insurance.

17. Casualty Damage.

17.01 If all or any portion of the Premises becomes untenable by fire or other casualty to the Premises (collectively a "**Casualty**"), Landlord, with reasonable promptness, shall cause a general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required using standard working methods to Substantially Complete the repair and restoration of the Premises and any Common Areas necessary to provide access to the Premises ("**Completion Estimate**"). If the Completion Estimate indicates that the Premises or any Common Areas necessary to provide access to the Premises cannot be made tenantable for the conduct of Tenant's business within the ordinary course within one hundred eighty (180) days from the date the repair is started, then either party shall have the right to terminate this Lease upon written notice to the other within ten (10) Business Days after receipt of the Completion Estimate. Tenant, however, shall not have the right to terminate this Lease if the Casualty was directly caused by the negligence or intentional misconduct of Tenant or any Tenant Related Parties. In addition, Landlord, by notice to Tenant within ninety (90) days after the date of the Casualty, shall have the right to terminate this Lease if any of the following occur: (1) the Premises have been materially damaged and there is less than 2 years of the Term remaining on the date of the Casualty; (2) any Mortgagee requires that the insurance proceeds be applied to the payment of the mortgage debt; or (3) a material uninsured loss to the Building or Premises occurs.

17.02 If this Lease is not terminated, Landlord shall diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, restore the Premises and Common Areas. Such restoration shall be to substantially the same condition that existed prior to the Casualty, except for modifications required by Law or any other modifications to the Common Areas deemed desirable by Landlord. Upon notice from Landlord, Tenant shall assign or endorse over to Landlord (or to any party designated by Landlord) all property insurance proceeds payable to Tenant under Tenant's Insurance with respect to any Leasehold Improvements performed by or for the benefit of Tenant; provided if the estimated cost to repair such Leasehold Improvements exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, the excess cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repairs. Within fifteen (15) days of demand, Tenant shall also pay Landlord for any additional excess costs that are determined during the performance of the repairs. In no event shall Landlord be required to spend more for the restoration than the proceeds received by Landlord, whether insurance proceeds or proceeds from Tenant. Landlord shall not be liable for any inconvenience to Tenant, or injury to Tenant's business resulting in any way from the Casualty or the repair thereof. Provided that Tenant is not in Default, during any period of time that all or a material portion of the Premises is rendered untenable as a result of a Casualty, the Rent shall abate for the portion of the Premises that is untenable and not used by Tenant.

18. Condemnation.

Either party may terminate this Lease if more than fifteen percent (15%) of the Premises is taken or condemned for any public or quasi-public use under Law, by eminent domain or private purchase in lieu thereof (a "**Taking**"). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Building or Property which would have a material adverse effect on Landlord's ability to profitably operate the remainder of the Building. The terminating party shall provide written notice of termination to the other party within forty-five (45) days after it first receives notice of the Taking. The termination shall be effective as of the effective date of any order granting possession to, or vesting legal title in, the condemning authority. If this Lease is not terminated, Base Rent and Additional Charges shall be appropriately adjusted to account for any reduction in the square footage of the Building or Premises. All compensation awarded for a Taking shall be the property of Landlord. The right to receive compensation or proceeds is expressly waived by Tenant, however, Tenant may file a separate claim for Tenant's Property and Tenant's reasonable relocation expenses, provided the filing of the claim does not diminish the amount of Landlord's award. If only a part of the Premises is subject to a Taking and this Lease is not terminated, Landlord, with reasonable diligence, will restore the remaining portion of the Premises

as nearly as practicable to the condition immediately prior to the Taking to the extent of any compensation paid by the condemning authority.

19. Events of Default.

In addition to any other default specifically described in this Lease, each of the following occurrences shall be a **"Default"**: (a) Tenant's failure to pay any portion of Rent when due, if the failure continues for ten (10) Business Days after written notice to Tenant (**"Monetary Default"**); (b) Tenant's failure (other than a Monetary Default) to comply with any term, provision, condition or covenant of this Lease, if the failure is not cured within thirty (30) days after written notice to Tenant provided, however, if Tenant's failure to comply cannot reasonably be cured within thirty (30) days, Tenant shall be allowed additional time (not to exceed 60 days) as is reasonably necessary to cure the failure so long as Tenant begins the cure within thirty (30) days and diligently pursues the cure to completion; (c) Tenant permits a Transfer in violation of Section 0 of this Lease; (d) Tenant or any Guarantor becomes insolvent, makes a transfer in fraud of creditors, makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts when due or forfeits or loses its right to conduct business; (e) the leasehold estate is taken by process or operation of Law; (f) in the case of any ground floor or retail Tenant, Tenant does not take possession of or abandons or vacates all or any portion of the Premises; or (g) Tenant is in default beyond any notice and cure period under any other lease or agreement with Landlord at the Building or Property. If Landlord provides Tenant with notice of Tenant's failure to comply with any specific provision of this Lease on two (2) separate occasions during any 12-month period, Tenant's subsequent violation of such provision may, at Landlord's option, be an incurable Default by Tenant. All notices sent under this Section shall be in satisfaction of, and not in addition to, notice required by Law.

20. Remedies.

20.01 Upon Default, Landlord shall have the right in addition to all remedies available at law or in equity to pursue any one or more of the following remedies:

a. Terminate this Lease, in which case Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to surrender the Premises, Landlord, in compliance with Law, may enter upon and take possession of the Premises and remove Tenant, Tenant's Property and any party occupying the Premises. Tenant shall pay Landlord, on demand, all past due Rent and other losses and damages Landlord suffers as a result of Tenant's Default, including, without limitation, all Costs of Reletting (defined below) and any deficiency that may arise from reletting or the failure to relet the Premises. **"Costs of Reletting"** shall include all reasonable costs and expenses incurred by Landlord in reletting or attempting to relet the Premises, including, without limitation, legal fees, brokerage commissions and the cost of alterations.

b. Terminate Tenant's right to possession of the Premises and, in compliance with Law, remove Tenant, Tenant's Property and any parties occupying the Premises. Landlord may (but shall not be obligated to) relet all or any part of the Premises, without notice to Tenant, for such period of time and on such terms and conditions (which may include concessions, free rent and work allowances) as Landlord in its absolute discretion shall determine. Landlord may collect and receive all rents and other income from the reletting. Tenant shall pay Landlord on demand all past due Rent, all Costs of Reletting and any deficiency arising from the reletting or failure to relet the Premises. The re-entry or taking of possession of the Premises shall not be construed as an election by Landlord to terminate this Lease.

c. In lieu of calculating damages under Section 0, Landlord may elect to receive as damages the sum of (a) all Rent accrued through the date of termination of

this Lease or Tenant's right to possession, and (b) an amount equal to the total Rent that Tenant would have been required to pay for the remainder of the Term discounted to present value at the rate of five percent (5%) per annum.

20.02 If Tenant is in Default of any of its non-monetary obligations under the Lease, in addition to other rights which Landlord may have under Law, Landlord shall have the right but not the obligation to perform such obligations. Tenant shall reimburse Landlord for the cost of such performance upon demand. The repossession or re-entering of all or any part of the Premises shall not relieve Tenant of its liabilities and obligations under this Lease. No right or remedy of Landlord shall be exclusive of any other right or remedy. Each right and remedy shall be cumulative and in addition to any other right and remedy now or subsequently available to Landlord at Law or in equity.

21. Limitation of Liability.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, THE LIABILITY OF LANDLORD (AND OF ANY SUCCESSOR LANDLORD) SHALL BE LIMITED TO THE INTEREST OF LANDLORD IN THE PROPERTY. TENANT SHALL LOOK SOLELY TO LANDLORD'S INTEREST IN THE PROPERTY FOR THE RECOVERY OF ANY JUDGMENT OR AWARD AGAINST LANDLORD OR ANY LANDLORD RELATED PARTY. NEITHER LANDLORD NOR ANY LANDLORD RELATED PARTY SHALL BE PERSONALLY LIABLE FOR ANY JUDGMENT OR DEFICIENCY, AND IN NO EVENT SHALL LANDLORD OR ANY LANDLORD RELATED PARTY BE LIABLE TO TENANT FOR ANY LOST PROFIT, DAMAGE TO OR LOSS OF BUSINESS OR ANY FORM OF SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGE OR PENALTIES. BEFORE FILING SUIT FOR AN ALLEGED DEFAULT BY LANDLORD, TENANT SHALL GIVE LANDLORD NOTICE AND REASONABLE TIME TO CURE THE ALLEGED DEFAULT.

22. Holding Over.

If Tenant fails to surrender all or any part of the Premises at the termination of this Lease, occupancy of the Premises after termination shall be that of a tenancy at sufferance. Tenant's occupancy shall be subject to all the terms and provisions of this Lease, and Tenant shall pay an amount (on a per month basis without reduction for partial months during the holdover) equal to one hundred fifty percent (150%) of the sum of the Base Rent and Additional Charges due for the period immediately preceding the holdover, together with all damages sustained by Landlord on account thereof.. No holdover by Tenant or payment by Tenant after the termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise.

23. Subordination to Mortgages; Estoppel Certificate.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust, ground lease or other lien now or subsequently arising upon the Premises, the Building or the Property, and to renewals, modifications, re-financings and extensions thereof (collectively referred to as a "**Mortgage**"). The party having the benefit of a Mortgage shall be referred to as a "**Mortgagee**". This clause shall be self-operative, but upon request from a Mortgagee, Tenant shall execute a subordination agreement in favor of the Mortgagee in form requested by Mortgagee and reasonably satisfactory to Tenant providing that so long as no Default has occurred and is existing, Mortgagee shall not disturb Tenant's rights under this Lease, subject to the terms of this Lease. As an alternative, a Mortgagee shall have the right at any time to subordinate its Mortgage to this Lease. Upon request, Tenant, without charge, shall attorn to any successor to Landlord's interest in this Lease. Tenant shall, within five (5) Business Days after receipt of a written request from Landlord, execute and deliver a commercially reasonable estoppel certificate to those parties as are

requested by Landlord (including a Mortgagee or prospective purchaser or investor). Without limitation, such estoppel certificate may include a certification as to the status of this Lease, the existence of any defaults or disputes and the amount of Rent that is due and payable.

24. Notice.

All demands, approvals, consents or notices (collectively referred to as a "**notice**") shall be in writing and delivered by hand or sent by registered or certified mail with return receipt requested or sent by overnight or same day courier service at the party's respective Notice Address set forth in Section 1. Each notice shall be deemed to have been received on the earlier to occur of actual delivery or the date on which delivery is refused, or, if Tenant has vacated the Premises or any other Notice Address of Tenant without providing a new Notice Address, three (3) days after notice is deposited in the U.S. mail or with a courier service in the manner described above. Either party may, at any time, change its Notice Address (other than to a post office box address) by giving the other party prior written notice of the new address.

25. Surrender of Premises.

At the termination of this Lease or Tenant's right of possession, Tenant shall remove Tenant's Property from the Premises, and quit and surrender the Premises to Landlord, broom clean, and in good order, condition and repair. If Tenant fails to remove any of Tenant's Property within five (5) Business Days after termination of this Lease or Tenant's right to possession, Landlord, at Tenant's sole cost and expense, shall be entitled (but not obligated) to remove and store Tenant's Property. Landlord shall not be responsible for the value, preservation or safekeeping of Tenant's Property. Tenant shall pay Landlord, upon demand, the expenses and storage charges incurred. If Tenant fails to remove Tenant's Property from the Premises or storage, within thirty (30) days after notice, Landlord may deem all or any part of Tenant's Property to be abandoned and title to Tenant's Property shall vest in Landlord.

26. Renewal Options.

26.01 Subject to the provisions hereinafter set forth, Landlord hereby grants to Tenant two (2) options to extend the Term of this Lease (each, a "**Renewal Option**") on the same terms, conditions and provisions as contained in this Lease, except as otherwise provided herein, for two (2) periods of five (5) years each ("**Renewal Period**") after the expiration of the initial Term. Each Renewal Period shall commence on the first day following the end of the initial Term or the first Renewal Period, as applicable (the "**Renewal Period Commencement Date**") and end on the day before the fifth (5th) anniversary of the Renewal Period Commencement Date. The Renewal Options shall be exercisable by written notice from Tenant to Landlord not later than twelve (12) months prior to the applicable Renewal Period Commencement Date, time being of the essence. If the Renewal Option is not so exercised, said option shall thereupon expire. If Tenant fails to effectively exercise the first Renewal Option, the second Renewal Option shall automatically cease and terminate. Tenant may only exercise a Renewal Option, and an exercise thereof shall only be effective, if at the time of Tenant's exercise of the subject Renewal Option and on the Renewal Period Commencement Date for the subject Renewal Period, this Lease is in full force and effect and Tenant is not in Default under this Lease, and (inasmuch as the Renewal Option is intended only for the benefit of the original named Tenant, the Premises are occupied by the original named Tenant only, and the original named Tenant has not assigned this Lease or sublet the Premises. Tenant shall have no right to renew the Term hereof beyond the Renewal Periods provided in this Section 26 and solely upon the terms and conditions set forth in this Section 26.

26.02 If Tenant has validly exercised a Renewal Option, Landlord and Tenant shall enter into a written amendment to this Lease confirming the terms, conditions and provisions applicable to the Renewal Period as determined in accordance herewith.

27. Miscellaneous.

27.01 This Lease shall be interpreted and enforced in accordance with the Laws of Illinois and Landlord and Tenant hereby irrevocably consent to the jurisdiction and proper venue of the State of Illinois. If any term or provision of this Lease shall to any extent be void or unenforceable, the remainder of this Lease shall not be affected. Notices to any one person or entity shall be deemed to have been given to all persons and entities. Tenant represents and warrants to Landlord that the individual executing this Lease on behalf of Tenant is authorized to do so on behalf of Tenant. Tenant further represents, warrants and certifies to Landlord: (i) Tenant is not named by, and is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by, any Executive Order, including without limitation Executive Order 13224, or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person", or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enacted, enforced or administered by the Office of Foreign Assets Control ("**OFAC**"); (ii) Tenant is not engaged in this transaction, directly or indirectly, for or on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation; and (iii) none of the proceeds used to pay Rent have been or will be derived from a "specified unlawful activity" as defined in, and Tenant is not otherwise in violation of, the Money Laundering Control Act of 1986, as amended, or any other applicable laws regarding money laundering activities. Furthermore, Tenant agrees to immediately notify Landlord if Tenant was, is, or in the future becomes a "senior foreign political figure", or an immediate family member or close associate of a "senior foreign political figure", within the meaning of Section 312 of the USA PATRIOT Act of 2001. Tenant acknowledges and agrees that the foregoing representations, certifications and warranties are ongoing and shall be and remain true and in full force and effect on the date hereof and throughout the Term of the Lease and that any breach thereof shall be a default under the Lease (not subject to any notice or cure period) giving rise to Landlord's remedies, and Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, fines, penalties, forfeitures and expenses (including without limitation costs and attorneys' fees) arising from or related to any breach of the foregoing representations, certification and warranties.

27.02 Tenant shall reimburse Landlord for all of its costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in enforcing the terms of this Lease, to the extent provided under Illinois law. LANDLORD AND TENANT HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING BASED UPON THIS LEASE OR A DISPUTE WITH LANDLORD. Landlord's failure to declare a default immediately upon its occurrence, or delay in taking action for a default, shall not constitute a waiver of the default, nor shall it constitute an estoppel.

27.03 Whenever a period of time is prescribed for the taking of an action by Landlord or Tenant (other than the payment of the Security Deposit or Rent), the period of time for the performance of such action shall be extended by the number of days that the performance is actually delayed due to strikes, acts of God, shortages of labor or materials, war, terrorist acts, civil disturbances and other causes beyond the reasonable control of the performing party ("**Force Majeure**").

27.04 Landlord shall have the right to transfer and assign, in whole or in part, all of its rights and obligations under this Lease and in the Building and Property, provided that Landlord agrees to provide advance written notice to Tenant of the contemplated transfer and transferee so Tenant may determine that any such transferee is not a person or entity barred from doing business with Tenant. Upon transfer, Landlord shall be released from any further obligations hereunder and Tenant agrees to look solely to the successor in interest of Landlord for the performance of such obligations, provided that, any successor pursuant to a voluntary, third party transfer (but not as part of an involuntary transfer resulting from a foreclosure or deed in lieu thereof) shall have assumed Landlord's future obligations under this Lease.

27.05 Landlord has delivered a copy of this Lease to Tenant for Tenant's review only and the delivery of it does not constitute an offer to Tenant or an option. Landlord will not be bound until the lease is fully executed by Landlord. Tenant represents that it has dealt directly with and only with the Broker as broker in connection with this Lease. Landlord shall pay a commission to Broker in accordance with Landlord's separate agreement with Broker. Tenant shall indemnify and hold Landlord and the Landlord Related Parties harmless from all claims of any other brokers claiming to have represented Tenant in connection with this Lease. Landlord shall indemnify and hold Tenant and the Tenant Related Parties harmless from all claims of any brokers claiming to have represented Landlord in connection with this Lease.

27.06 Time is of the essence with respect to both Landlord and Tenant complying with the applicable terms, covenants and provisions contained in this Lease, including, without limitation, Tenant's exercise of any renewal or extension rights granted to Tenant. The expiration of the Term, whether by lapse of time, termination or otherwise, shall not relieve either party of any obligations which accrued prior to or which may continue to accrue after the expiration or termination of this Lease.

27.07 Tenant may peacefully have, hold and enjoy the Premises, subject to the terms of this Lease, provided Tenant pays the Rent and fully performs all of its covenants and agreements. This covenant shall be binding upon Landlord and its successors only during its or their respective periods of ownership of the Building.

27.08 This Lease does not grant any rights to light or air over or about the Building. Landlord reserves exclusively to itself any and all rights not specifically granted to Tenant under this Lease. This Lease constitutes the entire agreement between the parties and supersedes all prior agreements and understandings related to the Premises, including all lease proposals, letters of intent and other documents. Neither party is relying upon any warranty, statement or representation not contained in this Lease. This Lease may be modified only by a written agreement signed by an authorized representative of Landlord and Tenant.

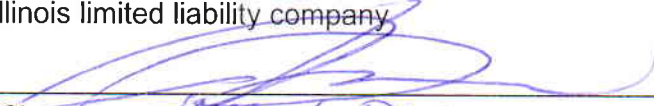
27.09 Tenant's name will be placed in the Building directory located in the lobby of the Building and at the entrance to the Premises.

27.10 Tenant is responsible for all costs associated with the installation, set up and maintenance of all phone, data and communication lines and equipment. If requested by Landlord, Tenant will pay for the removal of all such items upon lease termination. All installations will be subject to Landlord's prior approval and Landlord will assist Tenant's phone and data vendors. Tenant may use its own providers subject to Landlord's prior approval.

Landlord and Tenant have executed this Lease as of the day and year first above written.

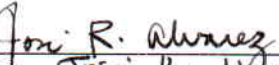
LANDLORD:

OVERTON, LLC,
an Illinois limited liability company

By: 
Name: Mark A. Davis
Title: Mark Davis

TENANT:

THE CHICAGO HOUSING AUTHORITY,
an Illinois municipal corporation

By: 
Name: José R. Alvarez
Title: Chief Operating Officer