



City of Wilmington

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City Council Member, 8th District

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Finance & Economic Development Committee

Charles "Bud" Freeland, Chair

Ciro Adams

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Robert A. Williams

Dr. Hanifa Shabazz, Ex-Officio Member

➤ **REVISED NOTICE**

Finance & Economic Development Committee Meeting

Monday, May 6, 2019

5:00 p.m.

1st floor Council Committee Room

Agenda

- **Ord. 19-016** Authorize the City to Enter into an Assignment and Assumption of a Multi-Year Lease Between Leased Access Preservation Association Inc. and Lancaster Associates LLC
 - **Ord. 19-017** Authorize a Multi-Year Amendment to Contract 18022DFPS (Printing and Mailing Services) Between the City of Wilmington and Mailroom Systems, Inc.
 - **Ord. 19-020** Amend Chapter 44 of the City Code Regarding the Duration of the Wilmington Downtown Business Improvement District
- Presentation on the Wilmington Community Advisory Council's final report

(Rev. 1, 05.02.19)

If public comment is permitted during this committee meeting, any member of the public who wishes to speak during the committee meeting will be limited to three minutes per agenda item. If the public's permission to comment is abused, the Chair may exercise greater discretion in limiting public comment .

**AN ORDINANCE TO AUTHORIZE THE CITY TO ENTER INTO AN
ASSIGNMENT AND ASSUMPTION OF A MULTI-YEAR LEASE BETWEEN
LEASED ACCESS PRESERVATION ASSOCIATION INC. AND
LANCASTER ASSOCIATES LLC**

#4633

Sponsor:

Council
Member
Oliver

WHEREAS, pursuant to Sections 2-308 and 8-200 of the City Charter, City Council may, by ordinance, authorize the leasing of real estate for a period of more than one year; and

WHEREAS, Leased Access Preservation Association, Inc. ("LAPA") and the City entered into the Public Access and Leased Access Management Agreement (the "Agreement") on March 24, 2014 whereby LAPA served as the third-party operator of the Access Channel; and

WHEREAS, LAPA and Lancaster Associates LLC (the "Landlord") entered into a lease on December 17, 2013 (the "Lease"), for the lease of the property known as 2801 Lancaster Avenue, Suite 1, Wilmington, Delaware 19805 (the "Studio"), which is the location where LAPA operated the Access Channel; and

WHEREAS, the Lease between LAPA and the Landlord was for a term of three years commencing on April 1, 2014 and ending on March 31, 2017; and

WHEREAS, LAPA and the Landlord entered into an amendment to the Lease (the "Amendment") on April 3, 2017, extending the term of the Lease an additional five (5) years commencing on April 1, 2017 and ending on March 31, 2022; and

WHEREAS, there are currently three (3) years remaining on the Lease with the option to renew the Lease for an additional five (5) years; and

WHEREAS, the Agreement between the City and LAPA ended on March 31, 2019; and

WHEREAS, in 2019, the City publicly advertised a request for proposals ("RFP"), in accordance with the requirements of Section 8-200 of the City Charter, to operate the Access

Channel and maintain the Studio; and

WHEREAS, DETV Foundation, Incorporated (“DETV”) was selected by the RFP process as the new manager and operator of the Access Channel; and

WHEREAS, LAPA’S Lease with the Landlord for the Studio was longer than its Agreement with the City to operate the Studio; and

WHEREAS, LAPA desires to assign the remaining term of the Lease to the City and the City desires to accept the assignment of the Lease from LAPA; and

WHEREAS, the Lease assignment is for a period of three (3) years from April 1, 2019 through March 31, 2022, at a price of eighty thousand, four hundred dollars (\$80,400.00) per year, for a total price of two hundred forty-one thousand, two hundred dollars (\$241,200.00), with the possibility of one (1) extension for an additional term of five (5) years, at the option of the City, subject to budget appropriations; and

WHEREAS, it is the recommendation of the City Council that the City enter into an assignment and assumption of the Lease (the “Assignment and Assumption of Lease”).

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. The Assignment and Assumption of Lease between the City, Leased Access Preservation Association Inc. and Lancaster Associates LLC, a copy of which, in substantial form, is attached hereto as “Exhibit A”, for the period from April 1, 2019 through March 31, 2022, as a price of eighty thousand, four hundred dollars (\$80,400.00) per year for a total price of two hundred forty-one thousand, two hundred dollars (\$241,200.00), with the possibility of one (1) extension for an additional term of five (5) years, is hereby approved, and the City is hereby authorized and directed to execute as many copies of the Assignment

and Assumption of Lease, as well as all additional undertakings related thereto, as may be necessary.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval by the Mayor.

First Reading.....April 4, 2019
Second Reading.....April 4, 2019
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2019.

Mayor

SYNOPSIS: This Ordinance authorizes the City to enter into an assignment and assumption of a multi-year lease between Leased Access Preservation Association Inc. and Lancaster Associates LLC for 2801 Lancaster Avenue, Suite 1, Wilmington, Delaware.

FISCAL IMPACT: The fiscal impact of this Ordinance is a lease for the period from April 1, 2019 through March 31, 2022, at a price of eighty thousand, four hundred dollars (\$80,400.00) per year for a total price of two hundred forty-one thousand, two hundred dollars (\$241,200.00), with the possibility of one (1) extension for an additional term of five (5) years.

EXHIBIT A

ASSIGNMENT AND ASSUMPTION OF LEASE

This **ASSIGNMENT AND ASSUMPTION OF LEASE** is made this _____ (____) day of _____, 20____, by and between **Leased Access Preservation Association Inc.** (hereinafter called Assignor”), the **City of Wilmington, Delaware**, a municipal corporation (hereinafter called “Assignee”), and **Lancaster Associates LLC**, a Delaware Limited Liability Company (hereinafter called “Landlord”).

WHEREAS, Assignor and Landlord entered into a lease agreement on December 17, 2013 (the “Lease”), attached hereto as “Attachment A”, for the lease of the property known as 2801 Suite 1 Lancaster Avenue, Wilmington, Delaware 19805 for a term of three years commencing on April 1, 2014 and ending on March 31, 2017;

WHEREAS, Assignor and Landlord entered into an agreement on April 3, 2017, attached hereto as “Attachment B”, to amend the Lease by extending the term of the Lease an additional five (5) years commencing on April 1, 2017 and ending on March 31, 2022;

WHEREAS, there are three (3) years remaining on the Lease with the option to renew the Lease for an additional five (5) years; and

WHEREAS, Assignor desires to assign the Lease to Assignee, and Assignee desires to accept the assignment of the Lease from Assignor, all in accordance with the terms hereof. Landlord consents to the assignment of the Lease dated _____ for _____ from Assignor to Assignee for the purposes set forth herein.

WHEREAS, Assignor and Landlord acknowledge that this agreement is subject to approval by City Council, pursuant to Section 2-513 of the Charter for the City of Wilmington. Absent approval by City Council by Ordinance, this agreement is null and void.

NOW, THEREFORE, WITNESSETH in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows.

SECTION 1 ASSIGNMENT

Assignor, for and in consideration of the payment of the Rent (as such term is defined in the Lease) and other amounts due under the Lease by Assignee and the performance of the covenants under the Lease by the Assignee after the date hereof, does hereby grant and assign unto Assignee all its (Assignor’s) right, title, and interest in and to the Lease and the Premises for the remaining term of the Lease (including any options or renewals thereof). Landlord will return Assignor’s security deposit in the amount of \$5,000.00 within 30 days of execution of this agreement. Landlord further agrees that Assignee shall be responsible for paying a \$5,000.00 security deposit within two weeks of final approval of this agreement by City Council.

Assignor acknowledges and agrees, for the benefit of Landlord and Landlord’s successors-in-interest, that Assignor has not been relieved of any of his obligations under the Lease. Notwithstanding the foregoing and/or anything in the Lease to the contrary, it is agreed that Assignor shall remain liable for the performance and observance of the covenants and conditions that accrue under the Lease through the date of execution hereof and shall be relieved from

any liability that accrues under the Lease upon receipt of approval by City Council, pursuant to Section 2-513 of the Charter for the City of Wilmington.

SECTION 2

PERFORMANCE OF LEASE COVENANTS AND CONDITIONS

From and after the date hereof, Assignee hereby covenants and agrees, for the benefit of Landlord and Landlord's successors-in-interest, to perform all of Assignor's duties and obligations required under the terms, covenants and conditions of the Lease, arising from and after the date hereof, Assignee shall make all payments of Rent and Additional Rents and/or scheduled Payments due under the Lease from and after the date hereof in accordance with the terms of the Lease and shall send the same directly to Landlord as provided in the Lease, and/or modifications or changes thereof both prior to and subsequent to the assignment.

SECTION 3

INDEMNIFICATION

Assignee does hereby indemnify and hold Assignor harmless from and against any loss, claim, damage, or expense, including reasonable attorney fees, which assignor may suffer, incur, or expend, arising out of any failure on the part of the Assignee to perform fully its obligations hereunder after the date hereof. Assignor does hereby indemnify and hold Assignee harmless from and against any loss, claim, damage, or expense, including reasonable attorney fees, which Assignee may suffer, incur or expend, arising out of any failure on the part of Assignor to perform fully its obligations hereunder prior to the date hereof.

SECTION 4

LANDLORD'S CONSENT

Landlord, in consideration of the undertakings of the parties herein, hereby consents to the assignment of the Lease from Assignor to Assignee as set forth herein.

SECTION 5

REPRESENTATION OF ASSIGNOR AND LANDLORD

Assignor hereby warrants, represents and covenants to Assignee as follows.

- (a) The Lease will be valid and in full force and effect as noted in SECTIONS 1 and 2 above inclusive of all amendments and/or modifications.
- (b) Other than what is attached and made part of said lease prior to the date hereof, Assignor has not previously assigned or sublet the Premises or any parts thereof or entered into any agreement permitting any person or entity to use or occupy any portion of the Premises.
- (c) Assignor is not a debtor in a bankruptcy proceeding and is not the subject of any state insolvency proceeding.
- (d) There exists no default under the Lease on the part of Landlord.

Landlord hereby warrants, represents, and covenants to Assignee as follows:

- (a) To the best of Landlord's knowledge and belief, without investigation, the Lease will be valid and in full force and effect.
- (b) Landlord has not approved any assignment or subletting of the Premises or any portion thereof other than to Assignee.
- (c) Landlord is not a debtor in a bankruptcy proceeding and is not the subject of any state insolvency proceeding.
- (d) To the best of Landlord's knowledge and belief, without investigation, there exists no default under the Lease on the part of the Assignor that has not been waived as part of this Assignment.

SECTION 6 USE

The Assignee will conform to the use of the premises as granted in the Lease Agreement.

SECTION 7 NOTICE

For all purposes in the Lease, proper notice shall be deemed given to "Tenant" under the Lease if sent to:

Hanifa Shabazz
Louis L. Redding City/County Building
800 N. French St. 9th Floor
Wilmington, DE 19801

SECTION 8 SUCCESSORS

This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their personal representatives, and successors.

SECTION 9 APPLICABLE LAW

This Assignment shall be interpreted and construed in accordance with the laws of the State of Delaware.

IN WITNESS WHEREOF, the parties have caused this Assignment and Assumption of Lease to be properly executed under seal as of the day and year first above written.

ATTEST/WITNESS

ASSIGNOR: Leased Access Preservation Association Inc.

_____Date

ATTEST/WITNESS

ASSIGNEE: City of Wilmington

_____Date

ATTEST/WITNESS

LANDLORD: Lancaster Associates LLC

_____Date
Robert Stella
Managing Member
Lancaster Associates LLC
2126 W. Newport Pike
Suite 200
Wilmington, DE 19804

ATTACHMENT A

TENANT: Leased Access Preservation Association Inc. (LAPA)

TERM: 3 years

DATE: December 17, 2013

LEASE COMMENCEMENT: April 1, 2014

Recommended Form of
SHOPPING CENTER LEASE
International Council of Shopping Centers, Inc.

Prepared For
FINANCIAL & CONSULTING SERVICES, INC.
2126 W. Newport Pike, Suite 200
Wilmington, DE 19804

RULES AND REGULATIONS

TENANT AGREES AS FOLLOWS:

- 1.) All loading and unloading of goods shall be done only at such times, in the areas, and through the entrances, designated for such purpose by owner.
- 2.) The delivery of shopping of merchandise, supplies and fixtures to and from the leased premises shall be subject to such rules and regulations as in the judgment of Owner, are necessary for the proper operation of the leased premises or Shopping Center.
- 3.) All garbage and refuse shall be kept in the kind of container specified by Owner, and shall be placed outside of the premises prepared for collection in the manner and at the times and places specified by Owner. If Owner shall provide or designate a service for picking up refuse and garbage, Tenant shall use same at Tenant's cost. Tenant shall pay the cost of removal of any of Tenant's refuse or rubbish.
- 4.) No radio or television or other similar device shall be installed without first obtaining in each instance Owner's consent in writing. No aerial shall be erected on the roof or exterior walls of the premises, or on the grounds, without in each instance, the written consent of Owner. Any aerial so installed without such written consent shall be subject to removal without notice at any time.
- 5.) No loud speakers, televisions, phonographs, radios or other devices shall be used in a manner so as to be heard or seen outside of the premises without the prior written consent of Owner.
- 6.) If the leased premises are equipped with heating facilities separate from those in the remainder of the Shopping Center, Tenant shall keep the leased premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
- 7.) The outside areas immediately adjoining the premises shall be kept clean free from snow, ice dirt and rubbish by Tenant to the satisfaction of Owner, and Tenant shall not place or permit any obstructions or merchandise in such areas.
- 8.) Tenant and Tenant's employees shall park their cars only in those portions of the parking area designated for that purpose by Owner, Tenant shall furnish Owner with State automobile license numbers assigned to Tenant's car or cars, and cars of Tenant's employees, within five (5) days after such changes occur. In the event that Tenant or its employees fail to park their cars in designated parking areas as aforesaid, then Owner at its option shall charge Tenant Ten Dollars (\$10.00) per day per car parked in any area other than those designated, as and for liquidated damage.
- 9.) The plumbing facilities shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose employees, agents or invitee shall have caused it.
- 10.) Tenant shall use at Tenant's cost such pest extermination contractor as Owner may direct and at such intervals as Owner may require.
- 11.) Tenant shall not burn any trash or garbage of any kind in or about the leased premises, the Shopping Center, or within one mile of the outside property lines of the Shopping Center.

INDEX

ARTICLE I - GRANT AND TERM

- Section 1.01 Leased Premises
- Section 1.02 Use of Additional Areas
- Section 1.03 Commencement and Ending Date of Term
- Section 1.04 Lease Year Defined
- Section 1.05 Failure of Tenant to Open
- Section 1.06 Excuse of Owner's Performance
- Section 1.07 Joint Opening

ARTICLE II - RENT

- Section 2.01 Minimum Rent
- Section 2.02 Percentage Rent
- Section 2.03 Gross Receipts Defined
- Section 2.04 Real Estate Taxes
- Section 2.05 Additional Rent
- Section 2.06 Past Due Rent and Additional Rent

ARTICLE III - Records and Books of Account

- Section 3.01 Tenant's Records
- Section 3.02 Reports by Tenants

ARTICLE IV - AUDIT

- Section 4.01 Right to Examine Books
- Section 4.02 Audit

ARTICLE V - CONSTRUCTION, ALTERATION, RELOCATION & FINANCING OF IMPROVEMENTS & ADDITIONS THERETO

- Section 5.01 Owner's Obligation
- Section 5.02 Parking Facilities
- Section 5.03 Changes and Additions to Buildings
- Section 5.04 Financing
- Section 5.05 Right to Relocate

ARTICLE VI - CONDUCT OF BUSINESS BY TENANT

- Section 6.01 Use of Premises
- Section 6.02 Operation of Business
- Section 6.03 Competition
- Section 6.04 Storage, Office Space

ARTICLE VII - OPERATION OF CONCESSIONS

- Section 7.01 Consent of Owner

ARTICLE VIII - SECURITY DEPOSIT

- Section 8.01 Amount of Deposit
- Section 8.02 Use and Return of Deposit
- Section 8.03 Transfer of Deposit

ARTICLE IX - PARKING AND COMMON USE AREAS AND FACILITIES

- Section 9.01 Control of Common Areas by Owner
- Section 9.02 License

ARTICLE X - COST OF MAINTENANCE OF COMMON AREAS

- Section 10.01 Tenant to bear Pro-Rata Share of Expenses

ARTICLE XI - SIGNS, AWNINGS, CANOPIES, FIXTURES, ALTERATIONS

- Section 11.01 Installation by Tenant
- Section 11.02 Removal and Restoration by Tenant
- Section 11.03 Tenant shall Discharge all Liens
- Section 11.04 Signs, Awnings and Canopies

ARTICLE XII - MAINTENANCE OF LEASED PREMISES

- Section 12.01 Maintenance by Tenant
- Section 12.02 Maintenance by Owner
- Section 12.03 Surrender of Premises
- Section 12.04 Rules and Regulations

ARTICLE XIII - INSURANCE AND INDEMNITY

- Section 13.01 Liability Insurance
- Section 13.02 Fire Insurance Premium
- Section 13.03 Indemnification of Owner
- Section 13.04 Plate Glass
- Section 13.05 Boiler Insurance

ARTICLE XIV - UTILITIES

- Section 14.01 Utility Charges

ARTICLE XV - OFFSET STATEMENT, ATTORNMENT SUBORDINATION

- Section 15.01 Offset Statement
- Section 15.02 Attornment
- Section 15.03 Subordination
- Section 15.04 Attorney in Fact

ARTICLE XVI - ASSIGNMENT AND SUBLETTING

- Section 16.01 Consent Required
- Section 16.02 Corporate Ownership

ARTICLE XVII - WASTE, GOVERNMENTAL REGULATIONS

- Section 17.01 Waste or Nuisance
- Section 17.02 Governmental Regulations

ARTICLE XVIII - ADVERTISING, MERCHANTS ASSOCIATION

- Section 18.01 Change of Name
- Section 18.02 Solicitation of Business
- Section 18.03 Merchant's Association

ARTICLE XIX - DESTRUCTION OF LEASED PREMISES

- Section 19.01 Total or Partial Destruction
- Section 19.02 Partial Destruction of Shopping Center

ARTICLE XX - EMINENT DOMAIN

- Section 20.01 Total Condemnation of Leased Premises
- Section 20.02 Partial Condemnation
- Section 20.03 Total Condemnation of Parking Area
- Section 20.04 Partial Condemnation of Parking Area
- Section 20.05 Owner's Damages
- Section 20.06 Tenant's Damages
- Section 20.07 Condemnation of Less than a Fee

ARTICLE XXI - DEFAULT OF TENANT

- Section 21.01 Right to Re-enter
- Section 21.02 Right to Relet
- Section 21.03 Legal Expenses
- Section 21.04 Waiver of Jury Trial and Counterclaims
- Section 21.05 Waiver of Rights of Redemption

ARTICLE XXII - ACCESS BY OWNER

- Section 22.01 Right of Entry
- Section 22.01 Excavation

ARTICLE XXIII - TENANT'S PROPERTY

- Section 23.01 Taxes on Leasehold
- Section 23.02 Loss and Damage
- Section 23.03 Notice by Tenant

ARTICLE XXIV - HOLDING OVER, SUCCESSORS

- Section 24.01 Holding Over
- Section 24.02 Successors

ARTICLE XXV - QUIET ENJOYMENT

- Section 25.01 Owner's Covenant

ARTICLE XXVI - MISCELLANEOUS

- Section 26.01 Waiver
- Section 26.02 Accord and Satisfaction
- Section 26.03 Entire Agreement
- Section 26.04 No Partnership
- Section 26.05 Force Majeure
- Section 26.06 Notices
- Section 26.07 Captions and Section Numbers
- Section 26.08 Tenant Defined, Use of Pronoun
- Section 26.09 Broker's Commission
- Section 26.10 Partial Invalidity
- Section 26.11 No Option
- Section 26.12 Recording
- Section 26.13 Rider
- Section 26.14 Notices
- Section 26.15 Compliance with Anti-Terrorism Laws
- Section 26.16 Patriot Act
- Section 26.17 Option to Renew

THIS INDENTURE OF LEASE, made on this 17th, day of December, 2013 by **Lancaster Associates L.L.C.**, herein called "Owner" and "**Leased Access Preservation Association Inc. (a 501(c) (3) (a Non-Profit Corporation)**", herein called "Tenant".

WITNESSETH:
ARTICLE I
GRANT AND TERM

Section 1.01 LEASED PREMISES.

In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of Tenant to be observed and performed, the Owner demises and leases to the Tenant and Tenant rents from Owner, those certain premises, "AS/IS" "WHERE/IS", now or hereafter to be erected in the Westside Plaza Shopping Center (herein called the "Shopping Center") in Wilmington (City), New Castle (County), Delaware (State), which premises consists of a store having exterior measurements of approximately 6,000 sq.ft. known as 2801 Suite I Lancaster Avenue, Wilmington, Delaware, 19805. Said square footage shall be equal to 19% of the total square feet of the subject Shopping Center.

Section 1.02 USE OF ADDITIONAL AREAS.

The use and occupation by the Tenant of the leased premises shall include the use in common with others entitled thereto of the common areas, employees' parking areas, service roads, loading facilities, sidewalks and customer car parking areas, the owner, subject however to other terms and conditions of this Agreement and to reasonable rules and regulations for the use thereof as prescribed from time to time by the Owner.

Section 1.03 COMMENCEMENT AND ENDING DATE OF TERM.

The term of this Lease and Tenant's obligation to pay rent hereunder shall commence on April 1, 2014. The term of this lease shall be Three (3) years and shall end on the last day of March, 2017, as said term "Lease Year" is hereinafter defined.

Section 1.04 LEASE YEAR DEFINED.

The term "Lease Year" as used herein shall mean a period of twelve consecutive full calendar months. The first Lease year shall begin on the date of commencement of the term hereof if the date of commencement of the term hereof shall occur on the first day of a calendar month; if not, then the first Lease year shall commence upon the first day of the calendar month next following the date of commencement of the term hereof. Each succeeding Lease year shall commence upon the anniversary date of the first Lease year.

Section 1.05 FAILURE OF TENANT TO OPEN. N/A

Section 1.06 EXCUSE OF OWNER'S PERFORMANCE.

Anything in this agreement to the contrary notwithstanding, providing such cause is not due to the willful act or neglect of the Owner, the Owner shall not be deemed in default with respect to the performance of any of the terms, covenants and conditions of this Lease if same shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, inability to obtain any material, service or financing, through Act of God or other cause beyond the control of the Owner.

Section 1.07 JOINT OPENING. N/A

Tenant shall cooperate in an endeavor to effect a joint opening of the Shopping Center and accordingly if so requested by Owner in writing, will delay the opening of its store for a period not to exceed thirty (30) days from the date it otherwise would have opened its store for business; but if Tenant does so at the written request of the Owner then, notwithstanding any provision to the contrary herein continued, the term of this Lease and Tenant's obligation to pay rent shall commence upon the date of said joint opening.

ARTICLE II
RENT

Section 2.01 MINIMUM RENT.

Tenant agrees to pay to Owner at the office of:

(PLEASE MAKE ALL CHECKS PAYABLE TO "LANCASTER ASSOCIATES. L.L.C.")
c/o Financial & Consulting Services
2126 W. Newport Pike, Suite 200
Wilmington, DE 19804

without any prior demand therefore and without any deduction or set-off whatsoever, and as fixed minimum rent: Rental payments shall be as follows:

Years 1 & 2: Beginning April 1, 2014 and ending March 31, 2016, the monthly base rent shall be in the amount of Five Thousand (\$5,000.00) Dollars.

Year 3: Beginning April 1, 2016 and ending March 31, 2017, the monthly base rent shall be in the amount of Five Thousand Two Hundred Fifty (\$5,250.00) Dollars

If the term shall commence upon a day other than the first day of a calendar month, then Tenant shall pay, upon the commencement date of the term, a pro-rata portion of the fixed per diem basis with respect to the fractional calendar month preceding the commencement of the first lease year hereof, together with the first full month rental payment. Tenant shall give written notice at least 120 days prior to the exploration of any terms of his intent to exercise any options hereof.

Section 2.02 PERCENTAGE RENT. N/A

Section 2.03 GROSS RECEIPTS DEFINED. N/A

Section 2.04 REAL ESTATE TAXES. (19% OF TOTAL).

(a) Tenant agrees to pay to Landlord each year during the term hereof, as additional rent, Tenant's Proportionate Share (as hereinafter defined) of Real Estate Taxes (as hereinafter defined) in the manner provided in Section (d) hereof.

(b) **REAL ESTATE TAXES**, as used herein, shall mean all taxes, assessments, and public charges of every kind and nature whatsoever, general and special extraordinary as well as ordinary, foreseen and unforeseen, which may be levied, assessed or imposed upon the land, buildings, and all other improvements of the Premises, including all school taxes and sewer taxes and charges, and all costs and fees, including attorney's fees, incurred by Landlord in contesting any of the above and/or negotiating with public authorities as to any of the above.

(c) **TENANT'S PROPORTIONATE SHARE** of Real Estate Taxes shall mean the percentage that the total square footage of floor area constructed gross leasable floor area of the buildings comprising the Premises determined as of the beginning of each Lease Year during the term hereof multiplied by the amount of Real Estate Taxes assessed during the calendar year in which said Lease Year commences. If said Lease Year shall be less than twelve (12) months, then Tenant's Proportionate Share of Real Estate Taxes shall be the amount calculated above multiplied by a fraction the numerator of which shall be the number of days in said Lease Year and the denominator of which shall be Three Hundred Sixty (360).

(d) **TENANT'S ESTIMATED SHARE OF REAL ESTATE TAXES** shall be paid in equal quarterly installments on or before the first day of each calendar month, in advance, as additional rent. For the Lease Year following the initial Lease Year of the term hereof, and for each Lease Year thereafter, Tenant's Estimated Share of Real Estate Taxes shall be adjusted upwards or downwards to reflect Tenant's Proportionate Share of Real Estate Taxes for the preceding Lease Year, said adjusted figure to be paid in equal quarterly installments on the first day of each month, in advance, as additional rent.

Upon receipt of all Real Estate Tax bills attributable to the Premises for any calendar year during the term hereof, Landlord shall furnish Tenant with a written statement of the amount of Tenant's Proportionate Share of Real Estate Taxes for the Lease Year in question, together with a statement detailing any adjustment in Tenant's Estimated Share of Real Estate Taxes. Tenant shall pay to Landlord within thirty (30) days of the date of said written statement the amount, if any, by which Tenant's Proportionate Share of Real Estate Taxes exceeds Tenant's Estimated Share of Real Estate Taxes for said Lease Year, exceeds Tenant's Proportionate Share of Real Estate Taxes. Should the taxing authorities include in such Real Estate Taxes the value of any improvements made by the Tenant or include machinery, equipment, fixtures, inventory or other personal property or assets of Tenant, then Tenant shall also pay the entire Real Estate Taxes, for such items. Tenant shall pay, before any fine, penalty, interest or costs may be added thereto for the non-payment thereof, any governmental tax or charge (other than income taxes) levied, assessed or imposed, by any governmental authority acting under any present or future law on account of or upon the receipt by Landlord of rents, business use and occupancy tax herein reserved.

- **For the purposes of Sections 2.04, 10.01, 13.02, Tenant shall pay a fixed \$2.11 per square foot for Tenant's proportionate share of R.E. Taxes, Insurance and Common Area Maintenance for the initial term.**

Section 2.05 ADDITIONAL RENT.

The Tenant shall pay as additional rent any money required to be paid pursuant to Sections 2.04, 10.01, 12.01, 12.02, 13.02, 13.04, 13.05, and 14.01, and all other sums of money or charges required to be paid by Tenant under Lease, whether or not the same be designated "additional rent". If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless, if not paid when due, be collectable as additional rent with the next installment of rent thereafter falling due hereunder, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder, or limit any other remedy of the Owner.

Section 2.06 PAST DUE RENT AND ADDITIONAL RENT.

If Tenant shall fail to pay, when the same is due and payable, any rent or any additional rent, or amounts or charges of the character described in Section 2.05 hereof, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of two per cent (2%) per month for delinquent payments after ten (10) days from the first of the month.

ARTICLE III RECORDS AND BOOKS OF ACCOUNT

Section 3.01 TENANT'S RECORDS. N/A

Section 3.02 REPORTS BY TENANT N/A

ARTICLE IV AUDIT

Section 4.01 RIGHT TO EXAMINE BOOK. N/A

Section 4.02 AUDIT. N/A

ARTICLE V
CONSTRUCTION, ALTERATION, RELOCATION AND FINANCING
OF IMPROVEMENTS AND ADDITIONS THERETO

Section 5.01 OWNER'S OBLIGATION. N/A

Section 5.02 PARKING FACILITIES.

The Owner shall construct upon the Shopping Center site at its own cost, access roads, footways, and parking lots or facilities.

Section 5.03 CHANGES AND ADDITIONS TO BUILDINGS.

Owner hereby reserves the right at any time to make alterations or additions to and to build additional stories on the building in which the premises are contained and to build adjoining the same. Owner also reserves the right to construct other buildings or improvements in the Shopping Center from time to time and to make alterations thereof or additions thereto and to build additional stories on any such building or buildings and to build adjoining same and to construct double deck or elevated parking facilities.

Section 5.04 FINANCING.

The Owner shall not be obligated to proceed with the construction of the leased premises unless and until financing acceptable to Owner is obtained. Should such financing not be obtainable within six (6) months after completion of final plans and specifications, Owner may so notify Tenant in writing, and this Lease shall thereupon cease and terminate and each of the parties hereto shall be released and discharged from any and all liability and responsibility hereunder. If Owner can obtain financing only upon the basis of modifications of the terms and provisions of this Lease, the Owner shall have the right to cancel this Lease, if the Tenant refuses to approve in writing any such modification within thirty days after Owner's request therefore, which request may not be made after delivery of possession. If such right to cancel is exercised this Lease shall thereafter be null and void, any money or security deposited hereunder shall be returned to Tenant, and neither party shall have any liability to the other by reason of such cancellation.

Section 5.05 RIGHT TO RELOCATE.

Owner reserves the right at any time to relocate the various buildings, automobile parking areas, and other common areas.

ARTICLE VI
CONDUCT OF BUSINESS BY TENANT

Section 6.01 USE OF PREMISES.

Tenant shall use the leased premises solely for the purpose of conducting the business of a local broadcasting studio for publicaccess/leased access TV programming. Tenant shall occupy the leased premises within thirty (30) days after the date of the notice provided for in Section 1.03 hereof, and shall conduct continuously in the leased premises the business above stated. Tenant will not use or permit, or suffer the use of, the leased premises for any other business or purpose. Tenant shall not conduct catalogue sales in or from the leased premises except of merchandise which Tenant is permitted to sell "over the counter" in or at the leased premises pursuant to the provisions of this Section 6.01.

Section 6.02 OPERATION OF BUSINESS.

Tenant shall operate all of the leased premises during the entire term of this Lease with due diligence and efficiency so as to produce all of the gross sales which may be produced by such manner of operation, unless prevented from doing so by causes beyond Tenant's control. Subject to inability by reason of strikes or labor disputes, Tenant shall carry at all times in said premises a stock of merchandise of such size, character and quality as shall be reasonably designed to produce the maximum return to Owner and Tenant. Tenant shall conduct its business in the leased premises during the regular customary days and hours for such type of business in the City or trade area in which the Shopping Center is located, and will keep the leased premises open for business during the same days, nights and hours N/A store located in the Shopping Center, or during the days nights and hours agreed upon by a majority of the members of Merchants Association provided for in Section 18.03 hereof. Tenant shall install and maintain at all times displays of merchandise in the display windows (if any) of the leased premises. Tenant shall keep the display windows and signs, if any, in the leased premises well lighted during the hours from sundown to 11:00 o'clock p.m., unless prevented by causes beyond the control of Tenant.

Section 6.03 COMPETITION

During the term of this Lease, Tenant shall not directly or indirectly engage in any similar or competing business within a radius of three miles from the outside boundary of the Shopping Center. Tenant shall not perform any acts or carry on any practices which may injure the building or be a nuisance or menace to other tenants in the Shopping Center.

Section 6.04 STORAGE, OFFICE SPACE.

Tenant shall warehouse, store and/or stock in the leased premises only such goods, wares and merchandise as Tenant intends to offer for sale or retail at, in, from or upon the leased premises. This shall not preclude occasional emergency transfers of merchandise to the other stores of Tenant, if any, not located in the Shopping Center. Tenant shall use for office, clerical or other non-selling purposes only such space in the leased premises as is from time to time

reasonably required for Tenant's business in the leased premises. No auction, fire or bankruptcy sales may be conducted in the leased premises without the previous written consent of Owner.

ARTICLE VII OPERATION OF CONCESSIONS

Section 7.01 CONSENT OF OWNER.

Tenant shall not permit any business to be operated in or from the leased premises by any concessionaire or licensee without the prior written consent of Owner.

ARTICLE VIII SECURITY DEPOSIT

Section 8.01 AMOUNT OF DEPOSIT.

Tenant contemporaneously with the execution of this Lease, will deposited with Owner the sum of (\$5,000.00) Dollars. Said deposit shall be held by Owner, without liability for interest, as security for the faithful performance by Tenant of all of the terms, covenants, and conditions of this Lease by said Tenant to be kept and performed during the term hereof. If at any time during the term of this Lease any of the enter herein reserved shall be overdue and unpaid, or any other sum payable by Tenant to Owner hereunder shall be overdue and unpaid, then Owner may, at the option of Owner (but Owner shall not be required to), appropriate and apply any portion of said deposit to the payment of any such overdue rent or other sum.

Section 8.02 USE AND RETURN OF DEPOSIT.

In the event of the failure of Tenant to keep and perform any of the terms, covenants and conditions of this Lease to be kept and performed by Tenant, then the Owner at his option may appropriate and apply said entire deposit, or so much thereof as may be necessary, to compensate the Owner for loss or damage sustained or suffered by Owner due to such breach on the part of Tenant. Should the entire deposit, or any portion thereof, be appropriated and applied by Owner for the payment of overdue rent or other sums due and payable to Owner by Tenant hereunder, then Tenant shall, upon the written demand of Owner, forthwith remit to Owner a sufficient amount in cash to restore said security to the original sum deposited, and Tenant's failure to do so within five (5) days after receipt of such demand shall constituted breach of this lease. Should Tenant comply with all of said terms, covenants and conditions and promptly pay all of the rental herein provided for as it falls due, and all other sums payable by Tenant to Owner hereunder, the said deposit shall be returned in full to Tenant at the end of the term of this Lease, or upon the earlier termination of this Lease.

Section 8.03 TRANSFER OF DEPOSIT.

Owner may deliver the funds deposited hereunder by Tenant to the purchaser of Owner's interest in the leased premises, in the event that such interest be sold, and thereupon Owner shall be discharged from any further liability with respect to such deposit.

ARTICLE IX PARKING AND COMMON USE AREAS AND FACILITIES

Section 9.01 CONTROL OF COMMON AREAS BY OWNER

All automobile parking areas, driveways, entrances and exits thereto, and other facilities furnished by Owner in or near the Shopping Center, including employee parking areas, the truck way or ways, loading docks, package pick-up stations, pedestrian sidewalks and ramps, landscaped areas, exterior stairways, first-aid stations, comfort stations and other areas and improvements provided by Owner for the general use, uncommon, of tenants, their officers, agents, employees and customers, shall at all times be subject to the exclusive control and management of Owner, and Owner shall have the right from time to time to establish, modify and enforce reasonable rules and regulations with respect to all facilities and areas mentioned in this Article. Owner shall have the right to construct, maintain and operate lighting facilities on all said areas and improvements; to police the same; from time to time to change the area, level location and arrangement of parking areas and other facilities hereinabove referred to; to restrict parking by tenants; their officers, agents and employees to employee parking areas; to enforce parking charges (by operation of meters or otherwise), with appropriate provisions for free parking ticket validating by Tenants; to close all or any portion of said areas or facilities to such extent as may, in the opinion of Owner's counsel, be legally sufficient to prevent a dedication thereof or the accrual of any rights to any person or the public therein; to close temporarily all or any portion of the parking areas or facilities; to discourage non-customer parking; and to do and perform such other acts in and to said areas and improvements as, in the use of good business judgment, the Owner shall determine to be advisable with a view to the improvement of the convenience and use thereof by Tenants, their officers, agents, employees and customers. Owner will operate and maintain the common facilities referred to above in such discretion, Owner shall have the full right and authority to employ all personnel and to make all rules and regulations pertaining to and necessary for the proper operation and maintenance of the common areas and facilities.

***** Off-street parking is available at the Greenhill Avenue Car Wash. This is intended to relieve parking issues at the Center. Tenants and their staff will be permitted to park in the front retail parking lot only if street parking is not available or the alternate parking supplied by Landlord is not available. Tenants are urged to use the alternate parking facilities to allow ample parking in the Center's lot for clients and customers to the Center.**

Off-site parking is located at 111 Greenhill Avenue known as the Greenhill Car Wash. The gates are open between the hours of 7:00-7:30 a.m. and 10:30-11:00 p.m. seven days a week, weather permitting. Should the gates be locked, indicating the wash is closed, the combination to the lock is 2704.

The Tenant that unlocks the gate shall also be responsible for locking/securing it. We request that you supply management with a list of the names, make, model and vehicle color of the employees assigned to the lot. Parking rules are to be enforced by each Tenant through on site management and will be randomly monitored by West Side Plaza management.

The additional parking is a courtesy paid for by WestSide Plaza in an effort to support customer activity within the Center and benefit all Tenants. We also urge all employees and staff to utilize street parking first. This will also help to alleviate the parking situation within the lot and allow the availability of more parking for clients/customers visiting the Center.

Management will not be responsible for vehicles left in the the lot during bad weather. To ensure Tenant safety, once the lot has been plowed, plowed-in vehicles owners are not permitted to shovel the snow back into the lot. Additional snow removal caused by such vehicles will be billed to the Tenant. In the event the lot is plowed after the Center's normal business hours, the snowplow company has been authorized to tow any vehicle preventing proper snow removal

Section 9.02 LICENSE.

All common areas and facilities not within the leased premises, which Tenant may be permitted to use and occupy, are to be used and occupied under a revocable license, and if the amount of such areas be diminished, Owner shall not be subject to any liability nor shall Tenant be entitled to any compensation or diminution or abatement of rent, nor shall such diminution of such areas be deemed constructive or actual eviction.

ARTICLE X COST OF MAINTENANCE OF COMMON AREAS

Section 10.01 TENANT TO BEAR PRO RATA SHARE OF EXPENSES.

(a) In each Lease year, Tenant will pay to Owner, in addition to the rentals specified in Article II hereof, as further additional rent, subject to the limitation, hereinafter set forth, a proportion of the Shopping Center's operating cost, hereinafter defined, based upon the ratio of the square feet of the leased premises to the total square feet of all the building space leased in the Shopping Center, except that for the purpose of this computation each two (2) square feet of basement of second floor space shall be counted as one square foot.

(b) For the purposes of this Section 10.01 the "Shopping Center's operating cost" means the total cost and expense incurred in operating and maintaining the common facilities, hereinafter defined, actually used or available for use by Tenant and the employees, agents, servants, customers and other invitee of Tenant, excluding only items of expense commonly known and designated as carrying charges, but specifically including, without limitation, gardening and landscaping, the cost of public liability and property damage insurance, real estate taxes and assessments, repairs, line painting, lighting, sanitary control, removal of snow, trash, rubbish, garbage and other refuse, depreciation on machinery and equipment used in such maintenance, the cost of personnel to implement such services, to direct parking, and to police the common facilities and 19% of all the foregoing costs (excluding real estate taxes and assessments) to cover the Owner's administrative and overhead costs. "Common Facilities" means all areas, space, equipment and special services provided by Owner for the common or joint use and benefit of the occupants of the Shopping Center, their employees, agents, servants, customers and other invitee, including without limitation parking areas, access roads, driveways, retaining walls, landscaped areas, truck services or tunnels, loading docks, pedestrian malls, courts, stairs, ramps and sidewalks, comfort and first aid stations, washrooms and parcel pick-up stations.

(c) The additional rent provided to be paid in this Section 10.01 shall be computed on the basis of periods of three (3) consecutive calendar months, commencing and ending on such dates as may be designated by Owner, and shall be paid by Tenant promptly upon receipt of quarterly bills therefor from Owner without any deduction or set-off whatever.

(d) Changes in any particular floor area occurring during any quarterly period shall be effective on the first day of the next succeeding quarterly period, and the amount of any floor area in effect for the whole of any quarterly period shall be the average of the total amounts in effect on the first day of each calendar month in such quarterly period.

- **For the purposes of Sections 2.04, 10.01, 13.02, Tenant shall pay a fixed \$2.11 per square foot for Tenant's proportionate share of R.E. Taxes, Insurance and Common Area Maintenance for the initial term.**

ARTICLE XI SIGNS, AWNINGS, CANOPIES, FIXTURES, ALTERATIONS

Section 11.01 INSTALLATION BY TENANT.

All fixtures installed by Tenant shall be new or completely reconditioned. Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixture, exterior signs, floor covering, interior or exterior lighting, plumbing fixtures, shades or awnings or make any changes to the store front without first obtaining Owner's written approval and consent. Tenant shall present to the Owner plans and specifications for such work at the time approval is sought.

Section 11.02 REMOVAL AND RESTORATION BY TENANT.

All alterations, decorations, additions and improvements made by the Tenant, or made by the Owner on the Tenant's behalf by agreement under this Lease, shall remain the property of the Tenant for the term of the Lease, or any extension or renewal thereof. Such alterations, decorations, additions and improvements shall not be removed from the premises prior to the end of the term hereof without prior consent in writing from the Owner. Upon expiration of this Lease, or any renewal term thereof, the Tenant shall remove all such alterations, decorations, additions and improvements, and restore the Leased premises as provided in Section 12.03 hereof. If the Tenant fails to remove such alterations, decorations, additions, and improvements and restore the leased premises, then upon the expiration of this Lease, or any

renewal thereof, and upon the Tenant's removal from the premises, all such alterations, decorations, additions and improvements shall become the property of the Owner.

Section 11.03 TENANT SHALL DISCHARGE ALL LIENS.

Tenant shall promptly pay all contractors and materialmen, so as to minimize the possibility of a lien attaching to the leased premises, and should any such lien be made or filed, Tenant shall bond against or discharge the same within ten (10) days after written request by Owner.

Section 11.04 SIGNS, AWNINGS AND CANOPIES.

Tenant will not place or suffer to be placed or maintained on any exterior door, wall or window of the leased premises any sign, awning or canopy, or advertising matter or other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the leased premises without first obtaining Owner's written approval and consent. Tenant further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter or other thing as may be approved in good condition and repair at all times.

ARTICLE XII
MAINTENANCE OF LEASED PREMISES

Section 12.01 MAINTENANCE BY TENANT.

Tenant shall at all times keep the leased premises (including maintenance of exterior entrances, all glass and show window moldings) and all partitions, doors, fixtures, equipment and appurtenances thereof (including lighting, heating and plumbing fixtures, escalators, elevators, and any air conditioning system) in good order, condition and repair (including reasonably periodic painting as determined by Owner), damage by unavoidable casualty excepted, except for structural portions of the premises which shall be maintained by Owner, but if Owner is required to make repairs to structural portions by reason of Tenant's negligent acts or omission to act, Owner may add the cost of such repairs to the rent which shall thereafter become due. Tenant shall be responsible for maintaining a quarterly service contract on the HVAC equipment.

Section 12.02 MAINTENANCE BY OWNER.

If Tenant refuses or neglects to repair property as required hereunder and to the reasonable satisfaction of Owner as soon as reasonably possible after written demand, Owner may make such repairs without liability to Tenant for any loss or damage that may accrue to Tenant's merchandise, fixtures, or other property or to Tenant's business by reason thereof, and upon completion thereof, Tenant shall pay Owner's costs for making such repairs plus twenty percent for overhead, upon presentation of bill therefore, as additional rent. Provided Tenant has a valid service contract and has maintained the equipment with quarterly service visits, Landlord shall be responsible for the replacement of HVAC equipment.

Section 12.03 SURRENDER OF PREMISES.

At the expiration of the tenancy hereby created, Tenant shall surrender the leased premises in the same condition as the leased premises were in upon delivery of possession thereto under this Lease, reasonable wear and tear excepted, and damage by unavoidable casualty excepted, and shall surrender all keys for the leased premises to Owner at the place then fixed for the payment of rent and shall inform Owner of all combinations on locks, safes and vaults, if any, in the leased premises. Tenant shall remove all its trade fixtures, and any alterations or improvements as provided in Section 11.02 hereof, before surrendering the premises as aforesaid and shall repair any damage to the leased premises caused thereby. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of the term of this Lease.

Section 12.04 RULES AND REGULATIONS.

The rules and regulations appended to this Lease are hereby made a part of this Lease, and Tenant agrees to comply with and observe the same. Tenant's failure to keep and observe said rules and regulations shall constitute a breach of the terms of this Lease in the manner as if the same were obtained herein as covenants. Owner reserves the right from time to time to amend or supplement said rules and regulations and to adopt and promulgate additional rules and regulations applicable to leased premises and the Shopping Center. Notice of such additional rules and regulations, and amendments and supplements, if any shall be given to Tenant, and Tenant agrees thereupon to comply with and observe all such rules and regulations and amendments thereto and supplements thereof, provided the same shall apply uniformly to all tenants of the Shopping Center.

ARTICLE XIII
INSURANCE AND INDEMNITY

Section 13.01 LIABILITY INSURANCE.

Tenant shall, during the entire term hereof, keep in full force and effect a policy of public liability and property damage insurance with respect to the leased premises, and the business operated by Tenant and any subtenants of Tenant in the leased premises in which the limits of public liability shall be less than \$500,000.00 per person and \$1,000,000.00 per accident and in which the property damage liability shall be no less than \$500,000.00. The policy shall name Owner, any person, firms or corporations designated by Owner, and Tenant as insured, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the Owner ten days prior written notice. The insurance shall be an insurance company approved by Owner and a copy of the policy or a certificate of insurance shall be delivered to Owner. Tenant shall be required to supply Landlord with an endorsement to their insurance policy naming Lancaster Associates, LLC and Financial & Consulting Services, Inc. as additional insured.

Section 13.02 FIRE INSURANCE PREMIUM (19% OF TOTAL)

(a) Tenant agrees to pay monthly as so much additional rent, Tenant's proportionate share of Landlord's total cost of insurance policies including but not limited to the following coverage's: liability, fire, extended coverage, difference in conditions, boiler and machinery, sprinkler, vandalism and malicious mischief, loss of rent and rent insurance which insures the Premises other than such costs relating to Common Areas. Tenant's Proportionate Share shall mean the percentage that the total square footage of floor area in the Demised Premises bears to the total square footage of the constructed gross leasable area of the buildings comprising the Premises.

(b) TENANT'S PROPORTIONATE SHARE OF INSURANCE EXPENSE shall be paid in equal monthly installments on or before the first day of every month, in advance, as so much additional rent. For the calendar year following the commencement of the term hereof, and for each calendar year thereafter, Tenant's Estimated Share of Insurance shall be adjusted upwards or downwards to reflect Tenant's true proportionate share of the actual cost of insurance attributable hereto for the preceding calendar year, and adjusted figure to be paid in equal monthly installment on the first day of every month, in advance, as so much additional rent.

(c) Upon receipt of all insurance bills attributable hereto for any calendar year during the term hereof, Landlord shall furnish Tenant with a written statement of the actual amount of Tenant's Proportionate Share of insurance for such year in question, together with a statement detailing any adjustment in Tenant's Estimated Share of Insurance, as noted herein. If the term of this Lease shall begin or end other than on the first or last day of a calendar year, these charges shall be billed and adjusted on the basis of such fraction of a calendar year.

- **For the purposes of Sections 2.04, 10.01, 13.02, Tenant shall pay a fixed \$2.11 per square foot for Tenant's proportionate share of R.E. Taxes, Insurance and Common Area Maintenance for the initial term.**

Section 13.03 INDEMNIFICATION OF OWNER.

Tenant will indemnify Owner and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the leased premises, or the occupancy or use by tenant of the leased premises or any part thereof, or occasioned wholly or in part by any act or omission of Tenant, its agents, contractors, employees, servants, lessees or concessionaires. In case Owner shall, without fault on its part, be made a party to any litigation commenced by or against Tenant, then Tenant shall protect and hold Owner harmless and shall pay all costs, expenses and reasonable attorney's fees incurred or paid by Owner in connection with such litigation. Tenant shall also pay all costs, expenses and reasonable attorney's fees that may be incurred or paid by Owner in enforcing the covenants and agreements in this Lease.

Section 13.04 PLATE GLASS.

Owner shall replace, at the expense of Tenant, any and all plate and other glass damaged or broken from any cause whatsoever in and about the leased premises. Owner may insure and keep insured, at Tenant's expense, all plate and other glass in the leased premises for and in the name of Owner. Bills for the premiums therefore shall be rendered by Owner to Tenant at such times as Owner may elect, and shall be due from, and payable by, Tenant when rendered, and the amount thereof shall be deemed to be, and be paid as, additional rent.

Section 13.05 BOILER INSURANCE. N/A.

ARTICLE XIV UTILITIES

Section 14.01 UTILITY CHARGES.

Tenant shall be solely responsible for and promptly pay all charges for heat, water, gas, electricity or any other utility used or consumed in the leased premises. Should Owner elect to supply the water, gas, heat, electricity or any other utility used or consumed in the leased premises, Tenant agrees to purchase and pay for the same as additional rent at the applicable rates filed by the Owner with the proper regulatory authority. In no event shall Owner be liable for an interruption or failure in the supply of any such utilities to the leased premises.

ARTICLE XIV OFFSET STATEMENT, ATTORNMENT SUBORDINATION

Section 15.01 OFFSET STATEMENT.

Within ten days after request therefore by Owner, or in the event that upon any sale, assignment or hypothecation of the leased premises and/or the land thereunder by Owner an offset statement shall be required from Tenant; Tenant agrees to deliver in recordable form a certificate to any proposed mortgagee or purchaser, or to Owner, certifying (if such be the case) that this Lease is in full force and effect and that there are no defenses or offsets thereto, or stating those claimed by Tenant.

Section 15.02 ATTORNMENT.

Tenant shall, in the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by the Owner covering the leased premises, attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Owner under this Lease.

Section 15.03 SUBORDINATION.

Upon request of the Owner, Tenant will subordinate its rights hereunder to the lien of any mortgage or mortgages, or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or buildings of which the leased premises are a part or against any buildings hereafter placed upon the land of which the leased premises are a part, and to all advances made or hereafter to be made upon the security thereof.

Section 15.04 ATTORNEY IN FACT.

The Tenant, upon request of any party in interest, shall execute promptly such instruments or certificates to carry out the intent of Sections 15.02 and 15.03 above as shall be requested by the Owner. The Tenant hereby irrevocably appoints the Owner as attorney in fact for the Tenant with full power and authority to execute and deliver in the name of the Tenant any such instruments or certificates. If fifteen (15) days after the date of a written request by Owner to execute such instruments, the Tenant shall not have executed the same, the Owner may, at its option, cancel this Lease without incurring any liability on account thereof, and the term hereby granted is expressly limited accordingly.

ARTICLE XVI
ASSIGNMENT AND SUBLETTING

Section 16.01 CONSENT REQUIRED.

Tenant will not assign this Lease in whole or in part, nor sublet all or any part of the leased premises, without the prior written consent of Owner in each instance. Such consent shall not be unreasonably withheld by Owner to any assignment or subletting. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. If this Lease be assigned, or if the leased premises or any part thereof be underlet or occupied by anybody other than Tenant, Owner may collect rent from the assignee, under-tenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, underletting, occupancy or collection shall be deemed a waiver of this covenant, or the acceptance of the assignee, under Tenant or occupant as Tenant of covenants on the part of Tenant herein contained. Notwithstanding any assignment or sublease, Tenant shall remain fully liable on this Lease and shall not be released from performing any of the term, covenants and conditions of this Lease.

Section 16.02 CORPORATE OWNERSHIP.

If at any time during the term of this Lease any part or all of the corporate shares of Tenant shall be transferred by sale, assignment, bequest, inheritance, operation of law or other disposition so as to result in a change in the present effective voting control of Tenant by the person or persons owning a majority of said corporate shares on the date of this Lease, Tenant will promptly notify Owner in writing of such change, and Owner may terminate this Lease at any time after such change in control by giving Tenant ninety (90) days prior written notice of such termination. Any Change in corporate ownership shall not be unreasonably withheld by Owner.

ARTICLE XVII
WASTE, GOVERNMENTAL REGULATIONS

Section 17.01 WASTE OR NUISANCE.

Tenant shall not commit or suffer to be committed any waste upon the leased premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any other Tenant in the building in which the leased premises may be located, or in the Shopping Center, or which may disturb the quiet enjoyment of any person within five hundred feet of the boundaries of the Shopping Center.

Section 17.02 GOVERNMENTAL REGULATIONS.

Tenant shall, at Tenant's sole cost and expense, comply with all of the requirements of all county, municipal, state, federal and other applicable governmental authorities now in force, or which may hereafter be in force, pertaining to the said premises, and shall faithfully observe in the use of the premises all municipal and county ordinances and state and federal statutes now in force or which may hereafter be in force.

ARTICLE XVIII
ADVERTISING, MERCHANTS ASSOCIATIONS

Section 18.01 CHANGE OF NAME.

Tenant agrees not to change the advertised name of the business operated in the leased premises without the written permission of Owner.

Section 18.02 SOLICITATION OF BUSINESS.

Tenant and Tenant's employees and agents shall not solicit business in the parking or other common areas, nor shall Tenant distribute any handbills or other advertising matter in automobiles parked in the parking area or in other common areas.

Section 18.03 MERCHANT'S ASSOCIATION. N/A

ARTICLE XIX
DESTRUCTION OF LEASED PREMISES

Section 19.01 TOTAL OR PARTIAL DESTRUCTION.

If the leased premises shall be damaged by fire, the elements, unavoidable accident or other casualty, but are not thereby rendered untenantable in whole or in part, Owner shall at its own expense cause such damage to be repaired, and the rent shall not be abated. If by reason of such occurrence, the premises shall be rendered untenantable only in part, Owner shall at its own expense cause the damage to be repaired, and the fixed minimum rent meanwhile shall be abated proportionately as to the portion of the premises rendered untenantable. If the premises shall be rendered wholly untenantable by reason of such occurrence the owner shall at its own expense cause such damage to be repaired, and the fixed minimum rent meanwhile shall abate until the leased premises have been restored and rendered tenantable, or Owner

may at its election, terminate this Lease and the tenancy hereby created by giving to Tenant within the sixty (60) days following the date of said occurrence, written notice of Owner's election so to do and in event of such termination rent shall be adjusted as of such date. Nothing in this Section shall be construed to permit the abatement in whole or in part of the percentage rent, but for the purpose of Section 2.02 hereof the computation of percentage rent shall be based upon the revised minimum rent as the same be abated pursuant to this Section 19.01.

Section 19.02 PARTIAL DESTRUCTION OF SHOPPING CENTER.

In the event that fifty percent (50%) or more of the rentable area of the Shopping Center shall be damaged or destroyed by fire or other cause, notwithstanding that the leased premises may be unaffected by such fire or other cause, Owner may terminate this Lease and the tenancy hereby created by giving to Tenant five (5) days prior written notice of Owner's election so to do which notice shall be given, if at all, within the sixty (60) days following the date of said occurrence. Rent shall be adjusted as of the date of such termination.

ARTICLE XX EMINENT DOMAIN

Section 20.01 TOTAL CONDEMNATION OF LEASED PREMISES.

If the whole of the leased premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding and all rentals shall be paid up to date and Tenant shall have no claim against Owner nor the condemning authority for other value of any unexpired term of this Lease.

Section 20.02 PARTIAL CONDEMNATION

If any part of the leased premises shall be acquired or condemned as aforesaid, and in the event that such partial taking or condemnation shall render the leased premises unsuitable for the business of the Tenant, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding. Tenant shall have no claim against Owner nor the condemning authority for the value of any unexpired term of this Lease and rent shall be adjusted to the date of such termination. In the event of a partial taking or condemnation which is not extensive enough to render the premises unsuitable for the business of the tenant, then Owner shall promptly restore the leased premises to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, and this Lease shall continue in full force and effect without any reduction or abatement of rent.

Section 20.03 TOTAL CONDEMNATION OF PARKING AREA.

If the whole of the common parking areas in the Shopping Center shall be acquired or condemned as aforesaid, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding unless Owner shall take immediate steps to provide other parking facilities substantially equal to the previously existing ratio between the common parking areas and the leased premises, and such substantially equal parking facilities shall be provided by Owner at its own expense within ninety (90) days from the date of acquisition. In the event that Owner shall provide such other substantially equal parking facilities, then this Lease shall continue in full force and effect without any reduction or abatement of rent.

Section 20.04 PARTIAL CONDEMNATION OF PARKING AREA.

If any part of the parking area in the Shopping Center shall be acquired or condemned as aforesaid, and if, as the result thereof the ratio of square feet of parking field to square feet of the sales area of the entire Shopping Center building is reduced to a ratio below two to one, then the term of this Lease shall cease and terminate upon the vesting of title in such proceeding, unless the Owner shall take immediate steps toward increasing the parking ratio to a ratio in excess of two to one, in which event this Lease shall be unaffected and remain in full force and effect without any reduction or abatement of rent. In event of termination of the Lease as aforesaid, Tenant shall have no claim against Owner nor the condemning authority for the value of any unexpired term of this Lease and rent shall be adjusted to the date of said termination.

Section 20.05 OWNER'S DAMAGES.

In the event of any condemnation or taking as aforesaid, whether whole or partial, the Tenant shall not be entitled to any part of the award paid for such condemnation and Owner is to receive the full amount of such award, the tenant hereby expressly waiving any right or claim to any part thereof.

Section 20.06 TENANT'S DAMAGES.

Although all damages in the event of any condemnation are to belong to the Owner whether such damages are awarded as compensation for diminution in value of the leasehold or to the fee of the leased premises, tenant shall have the right to claim and recover from the condemning authority, but not from Owner, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the condemnation and for or on account of any cost or loss to which Tenant might be put in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment.

Section 20.07 CONDEMNATION OF LESS THAN A FEE.

In the event of a condemnation of a leasehold interest in all or a portion of the Lease premises without the condemnation of the fee simple title also, this Lease shall not terminate and such condemnation shall not excuse tenant from full performance of all of its covenants hereunder, but Tenant in such event shall be entitled to present or pursue against the condemning authority its claim for and to receive all compensation or damages sustained by it by reason of such condemnation, and Owner's right to recover compensation or damages shall be limited to compensation for and damages if any, to its reversionary interest; it being understood however, that during such time as tenant shall be out of possession of the Leased premises by reason of such condemnation, the Lease shall not be subject to forfeiture for failure to observe and

perform those covenants not calling for the payment of money. In the event the condemning authority shall fail to keep the premises in the state of repair required hereunder, or to perform any other covenant not calling for the payment of money. Tenant shall have ninety (90) days after the restoration of possession to it within which to carry out its obligations under such covenant or covenants. During such time as Tenant shall be out of possession of the leased premises by reason of such leasehold condemnation, Tenant shall pay to Owner, in lieu of the minimum and percentage rents provided for hereunder, an annual rent equal to the average annual minimum and percentage rents paid by Tenant for the period from the commencement of the term until the condemning authority shall take possession, or during the preceding three full calendar years, whichever period is shorter. At any time after such condemnation proceedings are commenced, Owner shall have the right, at its option, to require Tenant to assign to Owner all compensation and damages received pursuant to said assignment to be applied first to the payment of rents and all other sums from time to time payable by Tenant pursuant to the terms of this Lease as such sums fall due, and the remainder, if any, to be payable to Tenant at the end of the term hereof or on restoration of possession to Tenant, whichever shall first occur, it being understood and agreed that such assignment shall not relieve Tenant of any of its obligations under this Lease with respect to such rents, and other sums except as the same shall be actually received by Owner.

ARTICLE XXI DEFAULT OF THE TENANT

Section 21.01 RIGHT TO RE-ENTER.

In the event of any failure of Tenant to pay any rental due hereunder within ten (10) days after the same shall be due, or any failure to perform any other of the terms, conditions or covenants of this Lease to be observed or performed by Tenant for more than thirty (30) days after written notice of such default shall have been given to Tenant, or if Tenant or an agent of Tenant shall falsify any report required to be furnished to Owner pursuant to the terms of the Lease, or if Tenant or any guarantor of this Lease shall become bankrupt or insolvent, or file any debtor proceedings or take or have taken against Tenant or any guarantor of this Lease in any court pursuant to any statute either of the United States or of any State a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or portion of Tenant's or any such guarantor's property, or if Tenant or any such guarantor makes an assignment for the benefit of creditors, or petitions for or enters into an arrangement, or if Tenant shall abandon said premises, or suffer this Lease to be taken under any writ of execution, then Owner besides other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the leased premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass, or becoming liable for any loss or damage which may be occasioned thereby.

Section 21.02 RIGHT TO RELET.

Should Owner elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease, make such alternations and repairs as may be necessary in order to Relet the premises, and Relet said premises or any part thereof, for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and upon such other terms and conditions as Owner in its sole discretion may deem advisable; upon each such reletting all rentals received by the Owner from such reletting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from Tenant to Owner, second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorney's fees and of costs of such alterations and repairs; third, to the payment of rent due hereunder from Tenant to Owner, second, to the payment of any costs of such alterations and repairs; third, to the payment of rent due and unpaid hereunder, the residue, if any, shall be held by Owner and applied in payment of future rent as the same may become due and payable hereunder. If such rentals received from such reletting during any month be less than that to be paid during that month by Tenant hereunder, Tenant shall pay any such deficiency to Owner. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of said premises by Owner shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, Owner may at any time thereafter elect to terminate this Lease for such previous breach. Should Owner at any time terminate this Lease for any breach, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur by reason of such breach, including the cost of recovering the leased premises, reasonable attorney's fees, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated term over the then reasonable rental value of the leased premises for the remainder of the stated term, all of which amounts shall be immediately due and payable from Tenant to Owner. In determining the rent which would be payable by Tenant hereunder, subsequent to default, the annual rent for each year of the unexpired term shall be equal to the average annual minimum and percentage rents paid by Tenant from the commencement of the term to the time of default, or during the preceding three full calendar years, whichever period is shorter.

Section 21.03 LEGAL EXPENSES.

In case suit shall be brought for recovery of possession of the leased premises, for the recovery, of rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of Tenant to be kept or performed, and a breach shall be established Tenant shall pay to Owner all expenses incurred theretofore, including a reasonable attorney's fee.

Section 21.04 WAIVER OF JURY TRIAL AND COUNTERCLAIMS.

The parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Owner and Tenant, Tenant's use or occupancy of the leased premises, and/or any claim of injury

or damage. In the event Owner commences any proceedings for non-payment of rent, minimum rent, percentage rent or additional rent, Tenant will not interpose any counterclaim of whatever nature or description in any such proceedings. This shall not, however, be construed as a waiver of the Tenant's right to assert such claims in any separate action or actions brought by the Tenant.

Section 21.05 WAIVER OF RIGHT REDEMPTION.

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Owner obtaining possession of the leased premises, by reason of the violation by Tenant of any of the covenants or conditions of this Lease, or otherwise.

ARTICLE XXII ACCESS BY OWNER

Section 22.01 RIGHT OF ENTRY.

Owner or Owner's agents shall have the right to enter the leased premises at all times to examine the same, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements or additions as Owner may deem necessary or desirable, and Owner shall be allowed to take all material into and upon said premises that may be required therefore without the same constituting an eviction of Tenant in whole or in part and the rent reserved shall in no way abate while said repairs, alterations, improvements or additions are being made, by reason of loss or interruption of business of Tenant, or otherwise. During the six months prior to the expiration of term of this Lease or any renewal term, Owner may exhibit the premises to prospective tenants or purchasers, and place upon the premises the usual notices "To Let" or "For Sale" which notices tenant shall permit to remain thereon without molestation. If Tenant shall not be personally present to open and permit an entry into said premises, at any time, when for any reason an entry therein shall be necessary or permissible, Owner or Owner's agents may enter the same by a master key, or may forcibly enter the same, without rendering Owner or such agents liable therefore, and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained, however shall be deemed or construed to impose upon Owner any obligation, responsibility or liability whatsoever, for the care, maintenance or repair of the building or of any part thereof, except as otherwise herein specifically provided.

Section 22.02 EXCAVATION.

If any excavation shall be made upon land adjacent to the leased premises, or shall be authorized to be made, Tenant shall afford to the person causing or authorized to cause such excavation, license to enter upon the leased premises for the purpose of doing such work as Owner shall deem necessary to preserve the wall or the building of which the leased premises form a part from injury or damage and to support the same by proper foundations, without any claim for damages or indemnification against Owner or diminution or abatement of rent.

ARTICLE XXIII TENANT'S PROPERTY

Section 23.01 TAXES ON LEASEHOLD.

Tenant shall be responsible for and shall pay before delinquency all municipal, county or state taxes assessed during the term of this Lease against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the leased premises by the Tenant.

Section 23.02 LOSS AND DAMAGE.

Owner shall not be liable for any damage to property of Tenant or of others located on the leased premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise. Owner shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of the leased premises or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatsoever nature. Owner shall not be liable for any such damage caused by other tenants or persons in the leased premises, occupants of adjacent property, of the Shopping Center, or the public, or caused by operations in construction of any private, public or quasi-public work. Owner shall not be liable for any latent defect in the leased premises or in the building of which they form a part except for a period of one (1) year from the date tenant takes possession of the leased premises. All property of Tenant kept or stored on the leased premises shall be so kept or stored at the risk of Tenant only and Tenant shall hold Owner harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carrier, unless such damage shall be caused by the willful act or gross neglect of Owner.

Section 23.03 NOTICE BY TENANT.

Tenant shall give immediate notice to Owner in case of fire or accidents in the leased premises or in the building of which the premises are a part of defects therein or in any fixtures or equipment.

ARTICLE XXIV HOLDING OVER, SUCCESSORS

Section 24.01 HOLDING OVER.

Any hold over after the expiration of the term hereof, with the consent of the Owner, shall be construed to be a tenancy from month to month at the rents herein specified (pro-rated on a monthly basis) and shall otherwise be on the terms and conditions herein specified, so far as applicable.

Section 24.02 SUCCESSORS.

All rights and liabilities herein given to, or imposed upon the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of the said parties; and if there shall be more than one Tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Owner in writing as provided in Section 16.01 hereof.

ARTICLE XXV
QUIET ENJOYMENT

Section 25.01 OWNER'S COVENANT.

Upon payment by the tenant of the rents herein provided, and upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the leased premises for the term hereby demised without hindrance or interruption by Owner or any other person or persons lawfully or equitably claiming by, through or under the Owner, subject, nevertheless, to the terms and conditions of this Lease.

ARTICLE XXVI
MISCELLANEOUS

Section 26.01 WAIVER.

The waiver by Owner of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Owner shall not be deemed to be a waiver of any proceeding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Owner's knowledge of such proceeding breach at the time of acceptance of such rent. No covenant, term or conditions of this Lease shall be deemed to have been waived by Owner, unless such waiver be in writing by Owner.

Section 26.02 ACCORD AND SATISFACTION.

No payment by Tenant or receipt by Owner of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or statement on any check or any letter accompany any check or payment as rent be deemed an accord and satisfaction, and Owner may accept such check or payment without prejudice to Owner's right to recover the balance of such rent or pursue any other remedy in this Lease provided.

Section 26.03 ENTIRE AGREEMENT.

This Lease and the Exhibits, and Rider, if any attached hereto and forming a part hereof, set forth all the covenants promises, agreements, conditions and understandings between Owners and Tenant concerning the leased premises and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment change or addition to this Lease shall be binding upon Owner or Tenant unless reduced to writing and signed by them.

Section 26.04 NO PARTNERSHIP.

Owner does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint adventurer or a member of a joint enterprise with Tenant.

Section 26.05 FORCE MAJEURE.

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section 26.05 shall not operate to excuse Tenant from prompt payment of rent, additional rent or any other payments required by the terms of this Lease.

Section 26.06 NOTICES.

Any notice, demand, request or other instrument which may be or are required to be given under this Lease shall be delivered in person or sent by United States certified mail postage prepaid and shall be addressed (a) if to Owner at the address first herein above given or at such other address as Owner may designate by written notice and (b) if to Tenant at the leased premises or at such other address as tenant shall designate by written notice.

Section 26.07 CAPTIONS AND SECTION NUMBERS.

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or described the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

Section 26.08 TENANT DEFINED, USE OF PRONOUN.

The word "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a tenant herein, be the same one or more; and if there shall be more than one Tenant, any notice required or permitted by the terms of this

Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to Owner or Tenant shall be deemed a proper reference even though Owner or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. the necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one Owner or Tenant and to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

Section 26.09 BROKER'S COMMISSION.

Each of the parties represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease, except as listed below, and each of the parties agrees to indemnify the other against, hold it harmless from all liabilities arising from any such claim (including, without limitation, the cost of counsel fees in connection therewith) except as follows: Landlord shall pay an amount equal to five percent (5%) of the gross rental on a monthly basis for the term of said Lease and any extensions thereof, to Financial & Consulting Services Inc.

Section 26.10 PARTIAL INVALIDITY.

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or conditions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 26.11 NO OPTION.

The submission of this Lease for examination does not constitute a reservation of or option for the leased premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by Owner and Tenant.

Section 26.12 RECORDING.

Tenant shall not record this Lease without the written consent of Owner, however, upon the request of either party hereto the other party shall join in the execution of a memorandum or so called "short form" of this lease for the purposes of recordation. Said memorandum or short form of this Lease shall describe the parties, the leased premises and the term of this Lease and shall incorporate this Lease by reference.

Section 26.13 RIDER. N/A

A rider consisting of (1) page, with sections numbered consecutively ____ through, ____ attached hereto and made a part hereof.

Section 26.14 NOTICES.

All notices shall be sent according to the terms of this Lease at the following address:

TENANT: LAPA
P.O. Box 2593
Wilmington, DE 19805

Contact: Ruth Baker 302-655-3477
Contact: Mrs. Cheris Congo 302-652-8887

LANDLORD: Lancaster Associates L.L.C.
C/O Financial & Consulting Services, Inc.
2126 W. Newport Pike, Suite 200
Wilmington, DE 19804
Phone: 302-633-9134 Fax: 302-633-9135
Email: Debbie@financialandconsulting.com

Section 26.15 COMPLIANCE WITH ANTI-TERRORISM LAWS

None of Tenant, Tenant Principals or any Person who Controls Tenant or Tenant Principal currently is identified by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") or otherwise qualifies as a Embargoed Person, and Tenant has implemented procedures to ensure that no Person who now or hereafter owns a direct or indirect equity interest in Tenant is an Embargoed Person or is Controlled by an Embargoed Person. None of Tenant or Tenant Principal is in violation of any applicable law relating to anti-money laundering or anti-terrorism, including, without limitation, those related to transacting business with Embargoed Persons or the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, U.S. Public Law 107-56, and the related regulations issued thereunder, including temporary regulations (collectively, as the same may be amended from time to time, the "Patriot Act"). To the best of Tenant's knowledge, no employee at the Property is currently identified by OFAC or otherwise qualifies as an Embargoed Person, or is owned or Controlled by an Embargoed Person. Tenant has determined that Manager has implemented procedures approved by tenant to ensure that no employee at the Property is currently identified by OFAC or otherwise qualifies as an Embargoed Person, or is owned or Controlled by an Embargoed Person.

Section 26.16 PATRIOT ACT

Neither Tenant nor Tenant Principal shall (a) be or become subject at any time to any law, regulation, or list of any government agency (including, without limitation, the list maintained by OFAC and accessible through the OFAC website) that prohibits or limits any Landlord from making any advance or extension of credit or lease to Tenant or from otherwise

conducting business with Tenant and Tenant Principal, or (b) fail to provide documentary and other evidence of Tenant's identity as may be requested by any Landlord at any time to enable any Landlord to verify Tenant's identity or to comply with any applicable law or regulation, including, without limitation, the Patriot Act. In addition, Tenant hereby agrees to provide to Landlord any additional information that Landlord deems necessary from time to time in order to ensure compliance with all applicable laws concerning money laundering and similar activities.

Section 26.17 OPTION TO RENEW

Tenant shall have the option to renew this Lease for Two (2) additional One (1) year terms. Rent to be determined.


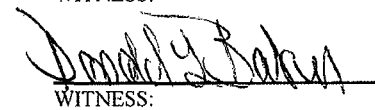
IN WITNESS WHEREOF, Owner and Tenant have signed and sealed this Lease as of the day and year first written below.

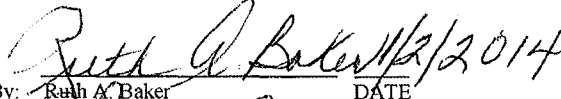


WITNESS:

LESSOR: Lancaster Associates L.L.C.

By:  DATE 1/6/14

LESSEE: Leased Access Preservation Association Inc.
EIN: 27-1892027


WITNESS:

WITNESS:

By:  DATE 1/2/2014
 DATE 1/2/2014

ATTACHMENT B

LEASE AMENDMENT / EXTENSION

FOR CONSIDERATION MUTUALLY EXCHANGED between the parties "**Lancaster Associates LLC**", (hereinafter "Landlord") and "**Leased Access Preservation Association Inc. (LAPA)**" (hereinafter "Tenant"), herein agree to this Extension Agreement made this 3rd day of April, 2017.

WHEREAS, the Landlord and the Tenant previously entered into a Lease dated April 1, 2014; and

WHEREAS, said agreement concludes on March 31, 2017; and

WHEREAS, both parties desire to extend the lease;

NOW, therefore intending to be legally bound, both parties agree as follows:

To Amend and Extend the Lease for an additional term of Five (5) years beginning April 1, 2017 and ending March 31, 2022. For the duration of this lease extension, the **monthly base rent** shall be as follows:

Years 1-2: Beginning April 1, 2017 and ending March 31, 2019, the monthly base rent shall be in the amount of Five Thousand Two Hundred Fifty (\$5,250.00) Dollars.

Years 3-5: Beginning April 1, 2019 and ending March 31, 2022, the monthly base rent shall be in the amount of Five Thousand Six Hundred Twenty Five (\$5,625.00) Dollars. Tenant's proportionate share of Taxes, Insurance and Common Area Maintenance shall increase to \$2.15 per square foot.

Tenant shall have one (1) option to renew the Lease for an addition term of five (5) years. Rent to be mutually agreed upon one hundred and twenty (120) days prior to the commencement of any such Option Period.

In all other aspects, said lease shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first written below.

Lessor: Lancaster Associates LLC

Witness: *Robert A. Stella*

By: *Robert Stella* 4/4/17
Robert Stella Date

Lessee: Lease Access Preservation Association Inc.

Witness: _____

By: *Ruth A. Baker* 4/3/17
Ruth Baker Date

Witness: _____

By: *Cheris Congo* 4/3/17
Cheris Congo Date

**AN ORDINANCE TO AUTHORIZE A MULTI-YEAR AMENDMENT TO
CONTRACT 18022DFPS (PRINTING AND MAILING SERVICES)
BETWEEN THE CITY OF WILMINGTON AND MAILROOM SYSTEMS,
INC.**

#4640

Sponsor:

Council
Member
Freel

WHEREAS, pursuant to Sections 2-308 and 8-200 of the City Charter, the City of Wilmington is authorized to enter into contracts for the supply of property or the rendering of services for a period of more than one year if approved by City Council by ordinance; and

WHEREAS, the City publicly advertised the specifications for Contract 18022DFPS - Printing and Mailing Services (the "Contract") - in accordance with the requirements of Section 8-200 of the City Charter, and subsequently awarded the Contract, a copy of which is available for review in the Department of Finance, to Mailroom Systems, Inc., the highest ranked proposer; and

WHEREAS, the primary purpose of the Contract is to provide printing and mailing services for tax and utility billing for the Division of Revenue, Department of Finance; and

WHEREAS, the term of the Contract is for a period of three (3) years from September 22, 2017 through September 21, 2020, at an estimated maximum price of One Hundred Twenty-Six Thousand Six Hundred Dollars (\$126,600.00) per year for an estimated maximum total price of Three Hundred Seventy-Nine Thousand Eight Hundred Dollars (\$379,800.00), with the possibility of two (2) additional extensions of one (1) year thereafter at the same annual price, at the option of the City, subject to budget appropriations; and

WHEREAS, the quantities contained in the Contract were underestimated and need to be increased, which will thereby increase the total amount of the Contract; and

WHEREAS, the City would like to enter into an amendment to the Contract (the "Amendment"), a copy of which, in substantial form, is attached hereto and incorporated by reference herein as Exhibit "A", which would provide for an increase in quantities from a

maximum of 300,000 items per year to a maximum of 600,000 items per year, thereby increasing the estimated annual price of the Contract from a maximum of one hundred twenty-six thousand, six hundred dollars (\$126,600.00) to a maximum of two hundred fifty-one thousand, one hundred dollars (\$251,100.00); and

WHEREAS, the unit pricing in the Contract would be maintained; and

WHEREAS, the estimated maximum cost to the City of the Amendment would be two hundred fifty-one thousand, one hundred dollars per year (\$251,100.00) for an estimated maximum total price of three hundred ninety-one thousand, one hundred thirty-seven dollars (\$391,137.00), with the possibility of two (2) additional extensions of one (1) year thereafter at the same estimated maximum annual price of two hundred fifty-one thousand, one hundred dollars (\$251,100.00); and

WHEREAS, it is the recommendation of the Department of Finance that the City enter into the Amendment.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. The Amendment to the Contract between the City and Mailroom Systems, Inc., a copy of which, in substantial form, is attached hereto as Exhibit "A", for the period from March 1, 2019 through September 21, 2020, at an estimated maximum price of two hundred fifty-one thousand, one hundred dollars (\$251,100.00) per year for an estimated maximum total price of three hundred ninety-one thousand, one hundred thirty-seven dollars (\$391,137.00), with the possibility of two (2) additional extensions of one (1) year thereafter at the same annual price, is hereby approved, and the City is hereby authorized and directed to execute as many copies of said Amendment, as well as all additional undertakings related

thereto, as may be necessary.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval by the Mayor.

First Reading.....April 4, 2019
Second Reading.....April 4, 2019
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2019.

Mayor

SYNOPSIS: This Ordinance authorizes the City to enter into a multi-year amendment to Contract 18022DFPS for printing and mailing services with Mailroom Systems, Inc. (the "Contract"), which increases the quantities under the Contract from a maximum of 300,000 items per year to a maximum of 600,000 items per year, thereby increasing the maximum estimated annual price of the Contract to \$251,100.00 and the maximum estimated total price of the Contract to \$391,137.00, with the possibility of two (2) additional extensions of one (1) year thereafter at the same annual price.

FISCAL IMPACT: The fiscal impact of this Ordinance is a contract for the period from March 1, 2019 through September 21, 2020, at an estimated maximum price of fifty-one thousand, one hundred dollars (\$251,100.00) per year for an estimated maximum total price of three hundred ninety-one thousand, one hundred thirty-seven dollars (\$391,137.00), with the possibility of two (2) additional extensions of one (1) year thereafter at the same annual price.

EXHIBIT A

**AMENDMENT NO. 1 TO CONTRACT 18022DFPS DATED JULY 16, 2017 BETWEEN
THE CITY OF WILMINGTON AND MAILROOM SYSTEMS, INC. TO INCREASE
THE ESTIMATED QUANTITIES AND THE TOTAL CONTRACT AMOUNT**

THIS AMENDMENT (the "Amendment") is entered into this _____ day of _____, 2019, by and between the CITY OF WILMINGTON, a municipal corporation of the State of Delaware (the "City"), and MAILROOM SYSTEMS, INC.

WHEREAS, the City and Mailroom Systems, Inc. wish to amend Contract 18022DFPS for printing and mailing services dated July 16, 2017 (the "Contract"); and

WHEREAS, the quantities listed in the Contract were underestimated and need to be increased, which will thereby increase the total amount of the Contract; and

WHEREAS, the unit pricing in the Contract will be maintained.

NOW, THEREFORE, WITNESSETH that the City and Mailroom Systems, Inc., in consideration of the mutual promises made below, agree as follows:

1. The chart titled Schedule 5 on Mailroom Systems, Inc.'s proposal, which is incorporated into the Contract pursuant to Article I of the Contract, shall be deleted in its entirety and replaced with the chart listed below (the "New Chart"). The New Chart shall apply for the remainder of the Contract term, including the renewal options (if exercised). The quantities are estimated.

Printing	600,000	EA	\$0.011	\$6,600
Folding – Tri-fold 8-1/2 x 11	600,000	EA	\$0.01	\$6,000
One Time Set-Up & Testing	1	EA	\$0.0	
Insert Statement & Return Envelope (2 pc)	1,200,000	EA	\$0.0065	\$7,800
Presorting	600,000	EA	\$0.015	\$3,900
Mailing – Postage	600,000	EA	\$0.378	\$226,800
Grand Total				\$251,100

2. The effective date of this Amendment shall be March 1, 2019. This Amendment is subject to approval by the City Council.
3. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties, through their duly authorized representatives, have executed this Amendment to the Contract on the date first written above.

THE CITY OF WILMINGTON

WITNESS: _____

By: J. Brett Taylor
Title: Director of Finance

MAILROOM SYSTEMS, INC.

WITNESS: _____

By:
Title:

W0104216

**AN ORDINANCE TO AMEND CHAPTER 44 OF THE CITY CODE
REGARDING THE DURATION OF THE WILMINGTON DOWNTOWN
BUSINESS IMPROVEMENT DISTRICT**

#4646

Sponsor:

Council
Member
Harlee

WHEREAS, Section 44-153 of the City Code sets forth the establishment of the
Wilmington Downtown Business Improvement District (“WDBID”); and

WHEREAS, the Charter of the WDBID was initially granted for a five-year term by
City Council, expiring on October 1, 1999; and

WHEREAS, the term was extended for a ten-year period, expiring on October 1,
2009; and

WHEREAS, the term was extended for an additional ten-year period, expiring on
October 1, 2019; and

WHEREAS, the term was extended for an additional five-year period, set to expire
on October 1, 2024; and

WHEREAS, the City Council deems it necessary and appropriate to further amend
Section 44-153 of the City Code to extend the duration of the WDBID for an additional five-
year period to expire on October 1, 2029.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Chapter 44-153 of the City Code is hereby amended by deleting the
stricken language and adding the underlined language to read as follows:

(d) *Duration of WDBID.* The WDBID shall have an initial duration of
existence of five years, unless extended by ordinance for a longer duration
prior to the expiration of the initial five years. The initial five-year term of
existence of the WDBID, which expired on October 1, 1999, was extended
ten years from that date and will expire on October 1, 2009. That ten-year
term is hereby extended and will expire on October 1, ~~2024~~ 2029.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval by the Mayor.

First Reading.....April 18, 2019
Second Reading.....April 18, 2019
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2019.

Mayor

SYNOPSIS: This Ordinance amends Section 44-153 of the City Code to extend the duration of the Wilmington Downtown Business Improvement District until October 1, 2029.