

FIRST RENEWAL AND AMENDMENT TO LEASE

THIS FIRST RENEWAL AND AMENDMENT TO LEASE ("First Renewal"), dated as of January 1, 2009, is entered into between Fortunes From A Farr, LLC ("Landlord") as assignee of Pope Building Associates L.L.C. ("Pope") the Board of Education of the City of Chicago, a body politic and corporate ("Tenant") and.

RECITALS

- A. Pope and Tenant entered into that certain Lease dated as of December 5, 2003 (the "Lease"), for a term commencing January 1, 2004 and ending December 31, 2008, in which the Tenant leased a first-floor commercial space consisting of approximately 3,737 rentable square feet (the "Premises") in the Landlord's improved real property commonly known as 641 South Plymouth Court, Chicago, Illinois 60605 (the "Building").
- B. As of June 28, 2006, Pope sold the Building to Landlord.
- C. By mutual consent, the parties desire to enter into this First Renewal in order to extend the Lease for a period of two (2) years, and amend the Lease to provide that: (i) there shall be one option to renew the term of the Lease for an additional one (1) year period; (ii) Tenant will make certain repairs to the Premises; (iii) Tenant shall provide to Landlord a current certificate of insurance; and (iv) Section 41 of the Lease shall be deleted, all on the terms and conditions as set forth in the First Renewal.

AGREEMENT

NOW THEREFORE, in consideration of the forgoing Recitals, which are incorporated herein as though set forth in full, and for other good and valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, and the mutual covenants and conditions contained herein, the parties agree as follows:

- 1. All capitalized terms not defined in this First Renewal shall have the same definition as set forth in the Lease.
- 2. **TERM.** By mutual agreement of the parties, The Lease is hereby extended for a period of two (2) years commencing January 1, 2009 and, unless terminated sooner as provided herein or in the Lease, ending December 31, 2010 ("**First Renewal Term**").
- 3. **SECOND RENEWAL TERM.** The parties agree that there shall be one, one (1) year option to renew the Lease. If Tenant exercises such option, the Lease as extended and amended by this First Renewal, shall be extended for an additional period of one (1) year commencing on January 1, 2011 and, unless terminated as sooner provide herein or in the Lease, ending December 31, 2011 (the "**Second Renewal Term**").
- 4. **BASE RENT.** Tenant agrees to pay to Landlord as Base Rent, for the use and occupancy of the Premises during the First Renewal Term, the sum set forth as follows:

<u>Period</u>	<u>Monthly Base Rent</u>	<u>Annual Base Rent</u>
1/1/09 - 12/31/09	\$9,392.32	\$ 112,707.84
1/1/10 -- 12/31/10	\$9,768.01	\$ 117, 216.12

In the event Tenant exercises its option to renew, Tenant agrees to pay to Landlord as Base Rent, for the use and occupancy of the Premises during the Second Renewal Term, the sum set forth as follows:

<u>Period</u>	<u>Monthly Base Rent</u>	<u>Annual Base Rent</u>
1/1/11 - 12/31/11	\$10,158.73	\$ 121,904.76

5. **PAYMENT OF ADDITIONAL RENT.** In addition to Base Rent, as set forth above, Tenant agrees to pay its proportionate share of real estate taxes, water bills and insurance ("Additional Rent"). Additional Rent is estimated to be Three Thousand and 00/100s Dollars (\$3,000.00) per month and shall be payable monthly. Additional Rent for the final month of the last Renewal Term shall be paid by Tenant to Landlord, together with any costs related to Tenant's damages to the Premises, the month after expiration of this Lease.

6. **INSURANCE CERTIFICATE.** Tenant agrees to provide to Landlord a current certificate of insurance for the Premises in the coverages and amounts as agreed to in Section 14 of the Lease.

7. **TENANT'S CANCELLATION.** The parties hereby agree to delete Section 41 of the Lease (Tenant's Cancellation) in its entirety.

IN WITNESS WHEREOF, the parties hereto have executed this First Renewal as of the date set forth at the beginning of this document.

TENANT:

LANDLORD:

THE BOARD OF EDUCATION OF
THE CITY OF CHICAGO

FORTUNES FROM A FARR, LLC

By: Rufus Williams
Rufus Williams, President

By: Rebecca Farr
Rebecca (Brecka) Farr

Attest:

Its: President Louner

Estela H. Beltran 12/19/08
Estela G. Beltran, Secretary

Estela
Board Report No. 08-1022-OP1-1

Approved as to Legal Form:

Patrick J. Rocks
Patrick J. Rocks, General Counsel

LEASE

THIS LEASE is made and entered into this 5th day of December, 2003, by and between Pope Building Associates, L.L.C., an Illinois limited liability company (hereinafter referred to as the "Landlord"), and the Board of Education of the City of Chicago, a body politic and corporate (hereinafter collectively referred to as the "Tenant").

WITNESSETH:

1. **PREMISES.** In consideration of the rents to be paid and the covenants and agreements to be performed by Tenant hereunder, Landlord does hereby lease to Tenant certain portions of the improved real property situated in the City of Chicago, County of Cook, State of Illinois, commonly known as 641 S. Plymouth Court, Chicago, Illinois, 60605, First Floor.

A first-floor commercial space consisting of approximately 3,737 rentable square feet (hereinafter referred to as the "Premises"),

which form a part of Landlord's property (hereinafter referred to as the "Property"), and Tenant hereby agrees to lease the Premises from the Landlord upon and subject to the covenants, terms and conditions hereinafter set forth.

2. **PURPOSE.** The Premises are to be used solely for the purpose of a work-out center, fitness center and administrative offices in connection with school activities and uses incidental thereto, and for no other purposes.

3. **TERM.** The term of this Lease shall be for a period of five (5) years, commencing on January 1, 2004, and unless sooner terminated by Landlord or Tenant as hereinafter provided, terminating on December 31, 2008. In the event Tenant cannot take possession on January 1, 2004, due to Landlord's fault, Base Rent and Additional Rent shall be abated on a per diem basis and charged as of the date that possession is tendered to Tenant.

4. **BASE RENT.**

(a) **Rent Payable.** Tenant agrees to pay to Landlord as Base Rent for the use and occupancy of the Premises during the term of this Lease the sums set forth as follows:

<u>Period</u>	<u>Monthly Base Rent</u>	<u>Annual Base Rent</u>
1/1/04 - 12/31/04	\$7,785.42	\$ 93,425.04
1/1/05 - 12/31/05	\$8,096.83	\$ 97,161.96
1/1/06 - 12/31/06	\$8,408.25	\$100,899.00
1/1/07 - 12/31/07	\$8,719.67	\$104,636.04



(b) Payment. Base Rent payable hereunder shall be paid in advance on the first day of each and every calendar month during the term hereof. Base Rent and all other rent provided herein shall be paid to Landlord c/o Re/Max Alliance Downtown, Inc., 439 S. Dearborn Street, Chicago, Illinois, 60605, without deduction or offset, except as specifically set forth herein, in lawful money of the United States of America, or to such other person or at such other place as Landlord may from time to time designate in writing. All sums due and payable under this Lease shall be deemed rent for the purposes of this Lease.

(c) Late Payment. Commencing with Rent due from and after March 1, 2004, any Base Rent, Additional Rent, as hereinafter provided, and any other amounts due from Tenant to Landlord under this Lease not paid within ten (10) days from the date when due shall (a) result in a late charge being assessed, as Additional Rent, in the sum of five (5%) of the amount so due, and (b) bear interest, as Additional Rent, from the date due until the date paid at the rate of fourteen (14%) percent per annum, but the payment of such interest shall not excuse or cure any default by Tenant under this Lease. The covenants herein to pay rent shall be independent of any other covenants set forth in this Lease.

5. ADDITIONAL RENT. In addition to the monthly Base Rent payable under Article 4 above, Tenant agrees to pay to Landlord as Additional Rent during the term of this Lease, in the manner set forth in Article 6 below, the following amounts, if any:

(a) Real Estate Taxes. Tenant agrees to pay Landlord as Additional Rent hereunder each year during the term of this Lease an amount equal to 56.39% ("Proportionate Share") of the real estate taxes paid by Landlord for the First Floor the Property (identified under Permanent Index Number 17-16-408-038-0000), which real estate taxes shall be paid in twelve equal monthly installments, in the sum reasonably established by Landlord. As each real estate tax bill is received by Landlord, Landlord will furnish Tenant with a copy thereof, and shall readjust the monthly real estate tax payment to be paid by Tenant thereafter, however, Landlord may include in said readjustment, sums which Landlord reasonably believes will be required to pay the ensuing year's real estate taxes. Tenant's obligation to pay Additional Rent hereunder for the final Lease year shall survive the expiration or termination of the term of this Lease and shall be pro-rated based upon the date of termination. Should the State of Illinois, or any political subdivision thereof or any governmental authority having jurisdiction thereover, impose a tax (other than an income or franchise tax) upon or against the rent payable by Tenant to Landlord, either by way of substitution for the taxes levied or assessed against the First Floor of the Property, which the Premises form a part, or in addition thereto, such tax shall be deemed to constitute a real estate tax against the First Floor of the Property for the purpose of this Article 5(a). Tenant shall also be liable for its Proportionate Share of Landlord's reasonable expenses for attorneys' appraisers or others in obtaining tax or assessment reductions for said tax bills accruing during the Term and any extension thereof. Tenant's Additional Rent shall be reduced in an amount equal to the Proportionate Share of any tax or assessment reduction obtained by Landlord.



(b) Insurance. Tenant agrees to pay Landlord as Additional Rent, in one-twelfth monthly installments along with each rental payment during the Term of this Lease, Tenant's Proportionate Share (as defined above) of the Insurance Premium paid with respect to the First Floor of the Property. The Insurance Premium shall include premiums for at least casualty, special multi-peril coverage, agreed amount replacement cost, and loss of rents for fire and extended coverage liability, Workmens Compensation and Comprehensive General Liability Insurance. As each subsequent Insurance Premium bill is presented by Landlord to Tenant, Tenant will, within thirty (30) days after receipt of the copy of said bill, forward to Landlord an amount equal to any additional sums due for Tenant's Proportionate Share of the amount of such Insurance Premium. Copies of Insurance Premium billings to Landlord will be included with invoices to Tenant. Tenant shall be named as an Additional Insured on all liability policies. Landlord shall provide Tenant with a Certificate of Insurance evidencing required coverage and Additional Insured status.

(c) Landlord, at the end of the term, shall be entitled upon thirty (30) days' prior written notice to charge Tenant's security deposit, if any, for Additional Rent payments due hereunder but not paid.

(d) The Landlord has estimated that the initial monthly sum of real estate taxes and insurance payable by Tenant is approximately One-Thousand One-Hundred and Five and no/100 (\$1,105.00) Dollars per month.

(e) If Tenant disputes the amount of Additional Rent set forth in any Statement or supplement thereto delivered by Landlord, then subject to the terms and conditions set forth below, Tenant shall have the right, within thirty (30) days after receipt of an invoice or demand for payment therefor from Landlord, to provide notice to Landlord that it intends to inspect and copy, or cause its agents to inspect and copy Landlord's accounting records pertaining thereto for the period covered by such Statement or supplement thereto during normal business hours ("Tenant Review"). Any Tenant Review shall take place at the office of the Landlord in the Property or at such other location in Chicago, Illinois, as Landlord may reasonably designate and Landlord will provide Tenant with reasonable accommodations for the Tenant Review and reasonable use of available office equipment, but may charge Tenant for telephone calls and photocopies at Landlord's actual cost. In connection with the Tenant Review, Landlord shall furnish Tenant with reasonable supporting documentation relating to the subject Statement or supplement as Tenant may reasonably require, including any previous audit conducted for the period in question. Tenant shall notify Landlord of its contest of Landlord's invoice or demand within fifteen (15) business days after concluding its Tenant Review. If following the Tenant Review, Tenant and Landlord continue to disagree as to the amounts of Additional Rent shown on the Statement or supplement and Landlord and Tenant are unable to resolve that dispute, Landlord shall submit the names of three (3) independent certified public accountants to Tenant, and Tenant shall select one (1) of those three (the "CPA") to adjudicate the dispute, whose decision shall be binding on the parties. If the resolution of the dispute results in an error in the calculation of Tenant's Proportionate Share to be paid in such period, the parties' sole remedy shall be for the parties to make appropriate payments or reimbursements, as the case may be, to each other as are determined to be owing by the CPA. Any such payments shall be made within


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thirty (30) days following the resolution of the dispute. At the Tenant's election, Tenant may treat any overpayments resulting from the foregoing resolution of such parties' dispute as a credit against the next due rent until such amounts are otherwise paid by Landlord. Tenant shall be responsible for all costs and expenses associated with Tenant's Review, and Tenant shall be responsible for all reasonable audit fees, attorneys' fees and related costs (collectively, the "Costs"), provided that, if the parties' final resolution of the dispute results in the overstatement by Landlord of Additional Rent for such period in excess of seven and one-half percent (7.5%), then Landlord shall be responsible for all Costs. An overcharge of Additional Rent by Landlord shall not entitle Tenant to terminate this Lease, nor may Tenant withhold any Rent during the pendency of the Tenant Review or CPA adjudication. The provisions of the Article 4(e) shall survive the termination of this Lease to allow the parties to enforce their respective rights hereunder.

6. PAYMENT OF ADDITIONAL RENT AND ADJUSTMENTS TO RENT. On or before the fifteenth (15th) day of February of each year during the Term and any extensions thereof (or such later date in the event real estate bills or Insurance Premiums bills have not theretofore been received) of each calendar year during the term of this Lease, Landlord shall furnish Tenant a written statement ("Statement") showing the amounts of all general and special real estate taxes and assessments paid during the calendar year and the amounts of all Insurance Premiums applicable to the calendar year in which such statement is furnished, and showing the amounts, if any, of any Additional Rent due to Landlord. Such statement shall be accompanied by copies of all tax and assessment bills and premium notices upon which the Additional Rent is calculated. Tenant shall pay any sums then due to Landlord as Additional Rent on the monthly rent payment date next following Tenant's receipt of such statement. In the event additional sums are not due as a result of said reconciliation, or are not due based upon Landlord's reasonable estimate of taxes and insurance due in monthly installments thereafter, Tenant shall be given a credit, to be used against the next rent due, for such overpayment. In the event of the termination of this Lease by expiration of the term hereof or for any other cause or reason whatsoever prior to the determination of Additional Rent as hereinabove provided, Tenant's agreement to pay Additional Rent up to the time of termination shall survive the termination of this Lease and Tenant shall pay any amount due to Landlord on account thereof within thirty (30) days after being billed therefor. The covenants shall survive the expiration or termination of this Lease. Landlord agrees to promptly pay Tenant any excess payments of Additional Rent that may be due Tenant after expiration or termination of this Lease.

7. ALTERATIONS AND IMPROVEMENTS; USE.

(a) Preparation of Premises. Landlord shall be under no obligation to alter, remodel, decorate or improve the Premises or the Property, and no representation or warranty, express or implied, respecting the condition of the Premises or the Property has been made by Landlord to Tenant either as consideration for, or any inducement for, the execution of this Lease, unless the same is contained herein or made a part hereof. This Lease does not grant to Tenant any rights to the light or air over the Property or the Premises or any part thereof. Tenant has inspected the Premises to the date hereof, is satisfied with the condition of the Premises and is leasing the Premises in its "as is" condition.



(b) Tenant's Improvements. Tenant, at its sole cost and expense, may make, or cause to be made, certain improvements (the "Improvements") to the Premises, contingent upon and subject to Landlord's prior written consent, and subject to such terms and conditions which Landlord shall reasonably impose. Landlord's prior written approval shall not be unreasonably withheld or delayed.

(c) Use. Tenant shall not use or permit the Premises or any part thereof to be used for any purpose other than as specified in paragraph 2 of this Lease, nor shall Tenant allow any noise, disturbances, loitering or accumulation of persons outside of the Premises. Tenant shall be allowed to operate the Premises for use by students between the hours of 6:00 a.m. and 8:00 p.m., however Tenant shall have 24-hour access for maintenance, repairs and administrative purposes. No use, other than the use set forth in Article 2 above, shall be made or permitted to be made of the Premises, nor acts done, which will cause a cancellation of any insurance policy covering the Property or any part thereof, nor shall Tenant sell or permit to be kept, use or sold in or about the Premises, any article which may be prohibited by Landlord's insurance policies. Tenant shall not commit or suffer to be committed any waste upon the Premises, or any public or private nuisance or any other act or thing which may disturb the quiet enjoyment of any other tenant on the Property, nor, without limiting the generality of the foregoing, shall Tenant allow the Premises to be used for any use which violates any federal, state or municipal statutes or ordinances or for improper use (as defined in Article 2 hereof), or unlawful use. Tenant shall secure all necessary permits or license required prior to commencement of its business at the Premises.

In addition, Tenant shall abide by all of the obligations and requirements of the Pope Building Declaration of Covenants, Conditions, Restrictions and Easements, dated December 21, 1999, and recorded in the Office of the Recorder of Deeds of Cook County, Illinois on December 28, 1999, as Document No. 09200617.

(d) The parties acknowledge that no representation has been made by Landlord with regard to the Premises being located in an appropriate zoning district for the activities to be conducted at the Premises by Tenant under Article 2. In the event any administrative action is commenced, or any other action is brought in any court of competent jurisdiction seeking cessation of Tenant's activities for violations of the Zoning Ordinance of the City of Chicago, Tenant shall have the right, but not the duty, to use diligent efforts, at its sole cost and expense, to defend such action and, if necessary, to obtain the zoning clearances or variances necessary to engage in the such activities. Landlord may, in its sole discretion and then at its sole cost and expense, appear in such action and, if necessary, attempt to obtain such zoning clearances or variances for the benefit of Tenant, and Tenant agrees to cooperate in Landlord's efforts in this regard. In the event any administrative body or any court of competent jurisdiction issues an interim order requiring that Tenant cease its activities which are permitted under Article 2, if Tenant elects to, at its sole cost and expense, contest that interim court order, or prosecutes an administrative review of the administrative order, the obligation to pay Rent shall continue during the course of said contest. In the event Tenant does not elect to contest said interim order or administrative order, but Landlord elects to contest that interim order or seeks to prosecute an administrative review of the administrative order (which shall be done at Landlord's sole cost and expense), Tenant shall cooperate with Landlord in that contest,



and the obligation to pay Rent shall abate during the period of such contest. If (i) neither Landlord nor Tenant shall elect to contest the interim court order or administrative order to cease activities at the Premises, or (ii) in the event there is issued a final order by a court of competent jurisdiction (whether of court litigation or in administrative review) ordering a cessation of Tenant's activities at the Premises, this Lease, and all Rent due hereunder, shall terminate, without liability of either party to the other, effective upon surrender of possession of the Premises to Landlord.

8. CARE OF PREMISES. During the term of this Lease:

(a) Landlord, at its expense, shall make all necessary repairs to the exterior and structure of the Premises, including the walls, and the service pipes, lines and mains which serve the Premises (up to the point of attachment to the Premises), but excluding any signs of Tenant.

(b) Tenant, at its expense, shall keep the Premises and every part thereof, including maintenance of exterior entrances, all partitions within the Premises, doors, and fixtures (including lighting, cooling, heating, repair and maintaining the Premises in a wholesome condition, which obligation shall specifically include regular janitorial services and periodic window washing and causing scavenger service to be provided for the Premises). Tenant also shall be responsible for the maintenance and replacement of all equipment and fixtures (including lighting, cooling, heating, ventilating, air conditioning and plumbing) located within the Premises and not required to be maintained and replaced by Landlord hereunder, and all glass on the Premises which may be broken or otherwise damaged, and shall in a manner reasonably satisfactory to Landlord, decorate and paint the Premises when necessary to maintain the Premises at all times, in a clean and sightly appearance. Tenant shall pay as Additional Rent hereunder its Proportionate Share of any City of Chicago inspection fees related to the Premises, and 100% of the cost of installing and maintaining fire extinguishers and other life safety installations required by law in the Premises (other than sprinklers, which have been provided by Landlord).

(c) With prior advance notice, except in the case of emergencies as set forth below, Tenant covenants and grants Landlord, its employees, agents and contractors access to the Premises to inspect the Premises for the purpose of determining the necessity for any repairs, and also for making such repairs or replacements as Landlord may propose to make pursuant to this Lease. Landlord shall use its best efforts to minimize the disruption of Tenant's business in effecting said maintenance and repairs, but nothing herein shall require Landlord to effect maintenance and repairs outside of normal business hours. Notwithstanding anything contained herein to the contrary, Landlord, its agents, employees and contractors shall have the right to immediate access to the Premises, without notice, in the event emergency repairs are required and access to the Premises is reasonably required to effect said emergency repairs. If at any time Landlord determines that the Premises are not being maintained by Tenant as required herein, Landlord may serve notice in writing upon Tenant to make such repairs and replacements claimed to be needed. Upon failure by Tenant to make or commence to make and proceed diligently with the repairs and replacements required of Tenant hereunder within thirty (30) days following receipt of written notice from Landlord specifying the same, (provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such thirty (30) days period, Tenant shall not be deemed to



have so failed to make said repairs and replacements if Tenant shall, within such period, commence such repairs and replacements and thereafter diligently and continuously prosecutes same to completion, however such repairs and replacements shall, in any event, be completed within one-hundred twenty (120) days from the date of service of notice), Landlord or its agents or employees may enter upon the Premises and make such repairs and replacements in its stead (but shall not be obligated so to do) and Tenant so failing to repair as agreed shall pay the cost of same to Landlord immediately on rendition of a bill therefor.

9. SIGNS. Tenant shall have the right to place signs in the interior of the Premises (including those which can be seen from the exterior of the Premises), provided that Tenant shall have secured the prior written approval of Landlord (which approval shall not be unreasonably withheld or delayed) and such sign or signs shall comply with all applicable ordinances of the City of Chicago. No exterior signage shall be placed on the building or Premises.

10. UTILITIES AND SERVICE.

(a) Landlord's Obligations. Landlord, at its expense, shall provide service connections to the Premises for electricity, gas, water and sewage.

(b) Tenant's Obligations. Tenant shall pay for all electricity, gas, water and sewer charges (for usage as calculated from submeter readings), and other public utilities serving the Premises along with trash removal services. In the event that the water furnished to the Premises is not separately metered, either at the commencement of, or thereafter during the term of this Lease, then Tenant shall pay its Proportionate Share of all water charges billed for the First Floor of the Property for the water charge, unless the Premises has been submetered for Tenant's space only, in which case Tenant shall pay the entire water charges registered on that submeter. Said Proportionate Share shall be paid along with the next monthly rental payment due after billing thereof by Landlord. In the event Tenant fails to pay any such charges when due, Landlord may pay such charges on behalf of Tenant, and Tenant shall pay same to Landlord, not later than at the next monthly rental payment date after any such payment, as Additional Rent, along with interest at the rate of ten (10%) percent per annum, or the maximum legal rate, whichever is less, on all unpaid sums due herein from the date of payment thereof by Landlord until the repayment thereof is made to Landlord.

(c) In no event shall Landlord be liable for an interruption or failure in the supply of any such utilities to the leased Premises. Notwithstanding the foregoing, if such interruption or failure continues for more than ninety (90) consecutive days, the Tenant shall have the right to terminate this lease and all of Tenant's duties and obligations hereunder. Tenant shall at all times keep the interior temperature of the Premises at a minimum of 55 degrees Fahrenheit and, if Tenant shall fail to maintain said minimum temperature at any time during the term hereof, then Landlord shall have the right but not the obligation to enter the Premises and take whatsoever means it deems necessary to maintain said minimum 55 degree Fahrenheit temperature within the Premises, and Landlord shall be entitled to reimbursement for any and all reasonable expenses incurred and shall be entitled, upon thirty (30) days' prior written notice, to charge Tenant's security deposit, if any, for said expenses.



11. SURRENDER.

(a) Condition of Premises. Reasonable wear and tear, changes and alterations authorized under this Lease, and loss and damage by fire or other casualty excepted, at the expiration or termination of this Lease, whether by lapse of time or otherwise, Tenant shall immediately remove all installations made by Tenant, surrender possession of the Premises broom clean and in as good condition as on the date of tender of possession to Tenant, at Tenant's sole expense. Landlord reserves the right to examine the equipment and fixtures which shall remain the property of the Landlord at the termination of Tenant's possession and charge the Tenant the reasonable cost for any necessary cleaning, repairing, maintenance or replacements of said units or repair except for ordinary wear and tear and loss and damage by fire or other casualty as set forth above.

(b) Removal of Fixtures. At the time of expiration or termination of this Lease, Landlord shall have the right to re-enter the Premises, to take immediate possession thereof and to proceed at once to remove therefrom at the expense of Tenant, if election is made so to do, all unauthorized alterations, modifications and improvements to the Premises, and all personal property of any kind which may have been placed upon the Premises by Tenant except replacements and other such personal property as the Tenant may be required to leave under the terms hereof. Tenant shall have the right to remove any and all machinery, equipment, apparatus, or personal property installed by Tenant except as a replacement of existing fixtures or personal property furnished by Landlord to Tenant where such replacement by Tenant is required hereunder; provided, however, that Tenant in effecting any such removal as aforesaid shall restore the Premises to the same condition as prior to the removal installation of same by Tenant, ordinary wear and tear and loss and damage by fire or other casualty excepted. At the expiration of the term of this Lease, the air conditioning and heating units, floor coverings, ceiling as installed, hot water tanks, dry wall, and other attached fixtures, except trade fixtures, shall remain the property of the Landlord.

12. LIENS. Tenant agrees that nothing contained in this Lease shall authorize Tenant to do any act which shall in any way encumber the title of Landlord in and to the Premises or the Property, nor shall the interest or estate of Landlord in the Premises or the Property be in any way subjected to any claim by way of virtue of any express or implied contract by Tenant, and any claim to or lien upon the Premises or the Property arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant and shall in all respects be subject and subordinate to the paramount title and rights of Landlord in and to the Premises and the Property and the building and improvements thereon. Tenant shall not permit the Premises or the Property to become subject to any mechanic's, laborer's or materialman's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Premises by or at the direction or sufferance of Tenant; provided, however, that Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien if Tenant shall give to Landlord such reasonable security as may be demanded by Landlord to insure payment thereof and to prevent any sale, foreclosure or forfeiture of the Premises or the Property by reason of non-payment thereof, and provided further that on final determination of the validity or enforceability of the lien or claim for



lien, Tenant will upon written demand pay any judgment rendered thereon and will at its own expense have the lien or claim for lien released and any judgment on account thereof satisfied.

In the event Tenant shall fail to contest the validity of any lien or claimed lien or fail to give sufficient security to Landlord to insure the payment thereof, or, having commenced to contest the same and having given such security, fail to prosecute such contest with diligence, or fail to have the same released and satisfy any judgment rendered thereon, then Landlord may at its election (but Landlord shall not be required so to do) remove or discharge such lien or claim for lien (with the right in its discretion to settle or compromise the same without regard as to the merits thereof), and any amounts advanced by Landlord for such purposes shall be Additional Rental due from Tenant to Landlord along with interest at the rate of fourteen (14%) percent per annum from the date of payment thereof by Landlord with the repayment thereto by Landlord to Tenant, and shall be paid immediately upon receipt of a bill therefor.

Tenant agrees that it shall not enter into any contract with any person, firm or corporation for labor, services or material to be furnished to the Premises the aggregate estimated cost of which shall exceed Five Thousand (\$5,000.00) Dollars, unless it shall be stipulated in and be condition of such contract that no lien shall arise or be claimed on account of such contract or on account of any work done or material furnished under said contract, as against the title or interest of Landlord in the Premises or the Property.

13. INDEMNITY. Tenant shall defend, indemnify, save and forever hold Landlord and all agents and employees of Landlord harmless from and against any claim, loss, fine, judgment, damage, cost or expense (including reasonable attorneys' fees) suffered or incurred by reason of any accident, loss or damage to persons or property committed in or upon the Premises or by reason of or growing out of any act or thing done or omitted to be done in or upon the Premises (except where such accident, loss or damage is a result of the negligence or willful conduct of Landlord). Tenant further shall defend, indemnify, save and forever hold Landlord and all agents and employees of Landlord, harmless from and against any and all claims, demands, penalties, fines, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) arising out of any damage which may be sustained by adjoining properties, adjoining property or owners from the remodeling, altering or repairing of the Premises undertaken by Tenant, its agents, servants, employees or contractors during the term of this Lease.

To the extent caused by the negligent act or omission, or willful conduct of Landlord, its agents or employees, Landlord shall defend, indemnify, save and forever hold Tenant and all agents and employees of Tenant harmless from and against any claim, loss, fine, judgment, damage, cost or expense (including reasonable attorneys' fees) suffered or incurred by reason of any accident, loss or damage to persons or property committed in or upon the Premises or Property or by reason of or growing out of any act or thing done or omitted to be done in or upon the Premises or Property (except where such accident, loss or damage is a result of the negligent act or omission or willful conduct of Tenant).

14. INSURANCE. The Landlord recognizes and agrees that Tenant self-insures for the

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following and Tenant agrees that, if Tenant ceases to self-insure, it will immediately comply with the following. Prior to Tenant's occupancy of the Premises, and during all times during the term of the Lease, Tenant shall provide Landlord with a certificate of insurance or self-insurance for the following coverages, naming Landlord and those parties identified in Article 14 (b) as insureds.

(a) Prior to the commencement of the term hereof, Tenant shall procure and thereafter during the term hereof continuously maintain, at its expense, a policy or policies of general liability, product liability and property damage insurance covering acts or omissions occurring in or upon the Premises providing coverage in the following minimum amounts: Three Million (\$3,000,000.00) Dollars with respect to injury to, or death of, any one person; Three Million (\$3,000,000.00) Dollars with respect to liability arising out of any one accident or occurrence; and Three Million (\$3,000,000.00) Dollars with respect to liability arising from property damage. Tenant shall also procure Workmen's Compensation insurance pursuant to statutory requirements. Such policy or policies shall be procured from insurance companies rated A-VIII or better by A.M. Best & Co., and authorized to do business in the State of Illinois; shall be on a form reasonably satisfactory to Landlord, and shall name Landlord, its agents and lenders, and such other parties as may be designated from time to time in writing, as additional insureds and contain clauses requiring the insurer not to cancel or amend the policy or policies without first giving Landlord and Landlord's agent thirty (30) days' prior written notice.

(b) Unless later notified in writing by Landlord, Tenant's insurance aforesaid shall recite Landlord's interest and designate as insureds, as follows:

Pope Building Associates, L.L.C.; Re/Max Alliance Downtown, Inc.; Pope Building Condominium Association, and such insureds as Landlord may reasonably designate from time to time.

(c) Excess Insurance Premiums. Tenant shall also be liable, as Additional Rent, for the excess premiums paid by Landlord for insurance purchased by Landlord on the real estate of which Landlord is the owner. The term "excess insurance premiums" shall mean the amount of Insurance Premiums paid by Landlord for insurance on real estate of which Landlord is the owner in excess of the rate customarily paid by Landlord, for said real estate to the extent that said excess is attributable to any change in the Tenant's use or occupancy thereof from the use or occupancy allowed in Article 2 of this Lease.

(d) General. In the event Tenant no longer self insures, or if Tenant fails to provide certificates of insurance evidencing self insurance, Tenant will, from time to time as the policies of insurance are issued and renewed, furnish the Landlord certification of such insurance. Such certificates shall be furnished to the Landlord prior to the time the Tenant enters the Premises or at the time of the commencement of this Lease, whichever is the earliest. In the event certificates are not furnished for a renewal prior to the expiration of the previous policy, the Landlord is hereby granted the right to place and procure said insurance and any renewals or extensions thereof, and Tenant hereby agrees to repay to the Landlord such gross premiums as are paid by the Landlord for said insurance or renewals or extensions thereof as so much Additional Rent to become due and payable after any such payment by Landlord with interest at the rate of fourteen (14%) percent per



annum or the maximum legal rate, whichever is less, from the date of payment thereof by Landlord until the repayment thereof to Landlord by Tenant. It is expressly understood that Landlord assumes no responsibility to the Tenant with regard to the procurement or renewal of such insurance.

15. DAMAGE OR DESTRUCTION OF PREMISES. If the Premises are damaged by fire or other casualty, and such damage can be repaired within one hundred and twenty (120) days of the date of such occurrence, this Lease shall remain in full force and effect, Landlord shall promptly repair such damage at Landlord's expense, and in that event, there shall be a proportionate abatement of rental for so much of the Premises as may be untenable during the period of such repair or restoration. If such damage cannot reasonably be repaired within one hundred and twenty (120) days from the date of such occurrence, Landlord shall notify Tenant within thirty (30) days after the date of such occurrence whether or not Landlord will repair or rebuild. If Landlord elects not to repair or rebuild, this Lease shall be terminated and there shall be an adjustment of rental to said date of termination. If Landlord elects to repair or rebuild, Landlord shall specify the time within which such repairs or reconstruction will be completed, and Tenant shall have the option, within thirty (30) days after the receipt of such notice, to elect either to terminate this Lease and further liability hereunder or to extend the term of this Lease by a period of time equivalent to the time from the happening of such occurrence or damage until the Premises are restored to their former condition within the time specified in the notice (except Landlord shall not be held responsible for delays in completion resulting from Force Majeure as set forth in Article 21, below, and the time for completion shall be extended for all such delays), and the Tenant shall not be liable to pay rent for the period from the time of such occurrence or damage until the Premises are so restored and ready for occupancy for the portion of the Premises which is untenable.

16. CONDEMNATION.

(a) Complete Condemnation. If the whole of the Premises shall be permanently taken or condemned for a public or quasi-public use or purpose by any competent authority, then and in such event the term of this Lease shall terminate from the date of delivery of possession of the Premises to the condemning authority. In no event shall Tenant be entitled to any portion of the condemnation award received by Landlord, but Tenant shall be permitted to seek its own award in the condemnation proceedings.

(b) Partial Condemnation.

(i) In the event that only a portion of the Premises shall be taken or condemned for a public or quasi-public use or purpose by any competent authority, Tenant's rental shall abate in proportion to the extent of such taking and shall be justly apportioned to the date of such termination. The award in such proceeding for such partial taking shall be paid to Landlord, but Tenant shall be permitted to seek its own award in the condemnation proceedings. If, as a result of such taking or condemnation, the Premises cannot be restored by Landlord with reasonable speed to an architectural unit as nearly like the condition prior to such taking as shall be practical, so that the Premises are reasonably susceptible to the continued use by Tenant for the same purpose for which the Premises were used immediately prior to such taking, then



Tenant may terminate this Lease on the date of delivery of possession of such part of the Premises to the condemning authority.

(ii) In the event that only a portion of the Premises shall be taken or condemned and this Lease and the term and estate of Tenant are not terminated as hereinabove provided, Landlord will restore, at Landlord's expense and with reasonable diligence, the remaining structural portions of the Premises so that the same are reasonably susceptible to the continued use by Tenant for the same purpose for which the Premises were used immediately prior to such taking; and Tenant's rent shall abate in proportion to the extent of such taking and the time during which Tenant is deprived of possession of all or any portion of the Premises.

17. COVENANT AGAINST ASSIGNMENT AND SUBLETTING. Tenant shall neither assign nor sublease the whole or any part of this Lease or the Premises without the prior written consent of Landlord, which consent shall be in Landlord's sole discretion. In the event Landlord consents to any sublease or assignment, nothing contained herein shall be deemed to constitute a release of Tenant under this Lease.

18. SUBORDINATION. Tenant hereby acknowledges and agrees that this Lease and Tenant's interest hereunder shall at all times be subordinate to the lien of any mortgage, trust deed or other encumbrances now or hereafter placed on the Premises or the Property, and Tenant shall execute such further instruments acknowledging this subordination as shall reasonably be requested by a lender of Landlord (in no event shall such lender be permitted to change the term of this Lease, the permitted use, the rent, or the duties of Tenant hereunder); provided, however, that Tenant's possession of the Premises shall not be disturbed in the event of any foreclosure proceedings or otherwise so long as Tenant is not in default under the terms of this Lease.

19. ESTOPPEL CERTIFICATE. Tenant, upon request of Landlord or any holders of a mortgage or trust deed now or hereafter on the Property or the Premises, shall from time to time deliver or cause to be delivered to Landlord or such holders within thirty (30) days from the date of demand, a certificate duly executed and acknowledged in form of recording, without charge, certifying, if true, that this Lease is valid and subsisting and in full force and effect and that Landlord is not in default under any terms of this Lease.

20. ACCESS TO PREMISES. Tenant agrees that Landlord, its agents, employees or servants, or any person authorized by Landlord, may (with prior notice, except in the case of emergency, and without disturbing Tenant's conduct of business, except in cases of emergency) enter the Premises for the purpose of:

(a) Inspecting the condition of the Premises or personal property located therein; taking measurements, surveys or appraisals; or

(b) Making such repairs, additions or improvements thereto, or to the Property, as Landlord may elect or be required to make; or

(c) Exhibiting the same to prospective tenants (during the last six (6) months of the



term of this Lease) or purchasers or existing or prospective lenders of the Property or any part thereof, or

(d) During the last six (6) months of the term of this Lease placing "For Rent" signs and similar notices, in and upon the Premises at such places as may be determined by Landlord. Tenant agrees that neither Tenant nor any person within Tenant's control will interfere with such notices.

21. FORCE MAJEURE. It is agreed that wherever an obligation of Landlord or Tenant to perform any act or thing is prevented in whole or in part by practical impossibility by reason of any riot, civil commotion, strike, lockout, Act of God or public enemy, priority, allocation, rationing or the regulation or prohibition of the use of supplying or transportation of any material, electrical or other energy, heat, fuel or of the hours of work of laborers or artisans, or by reason of any matter or thing, either of the same nature or different from those matters and things hereinbefore mentioned and beyond the reasonable and practical control of the party obligated, then in each instance performance by the party obligated shall be excused to the extent and for the duration of such practical impossibility. Except as provided in article 10(c), in no event shall the provisions of this paragraph relieve Tenant of the obligation to pay rent or other charges reserved hereunder.

22. WAIVER OF SUBROGATION. Landlord and Tenant hereby waive any and right of recovery, claim, action or cause of action against the other, their respective agents and employees, for any loss or damage that may occur to the Premises or the contents thereof, or to the Property and its improvements, by reason of fire, the elements or any other cause which could be insured against under the terms of the standard fire and extended coverage insurance policy or policies, regardless of cause or origin, including the negligence of Landlord or Tenant, their respective agents and employees, as the case may be. Landlord and Tenant each agree to request their respective insurance carriers, if any, to include in their insurance policies such a clause or endorsement consistent with this paragraph and the amount of any extra cost shall be borne by the party procuring such insurance policy or policies.

23. INDEMNITY FOR LITIGATION. Each party agrees that in the event the other party shall without fault on its part be made a party to any litigation commenced against such party, the party causing the same shall pay all reasonable costs and expenses of the other party, including reasonable attorneys' fees, incurred by such party in connection with such litigation. Each party shall also pay all reasonable costs and expenses, including reasonable attorneys' fees, which may be incurred by the other party in successfully enforcing any of the covenants and agreements of this Lease on the other party's part to be performed. All such costs and expenses paid by Landlord shall be so much Additional Rent due from Tenant and shall be paid on the next monthly rental date after such payment or payments, together with interest at fourteen (14%) percent per annum, or at the maximum legal rate, whichever is less, from the date of payment until paid by Tenant. All such costs and expenses paid by Tenant shall be paid by Landlord to Tenant within thirty (30) days of written notification thereof, together with interest at fourteen (14%) percent per annum, or at the maximum legal rate, whichever is less, from the date of payment by Tenant until paid by Landlord.



24. RIGHT OF LANDLORD TO PERFORM. All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of rent. If Tenant shall fail to pay any sum of money, other than Base Rent, required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for thirty (30) days after written notice thereof by Landlord, unless otherwise provided for in this Lease, Landlord may, but shall not be obligated so to do, and without waiving or releasing Tenant from any such other act on Tenant's part to be made or performed as in this Lease provided. All sums so paid by Landlord and all reasonable incidental costs in connection therewith, together with interest thereon from the date of such payment by Landlord at the rate of fourteen (14%) percent per annum or the maximum legal rate, whichever is less, shall be payable to Landlord on demand and Tenant covenants to pay said sums. Landlord shall, in addition to any other right or remedy of Landlord hereunder, have the same rights and remedies in the event of the non-payment of such sums by Tenant as in the case of default by Tenant in the payment of rent, and shall have such other and further remedies as are available at law.

25. DEFAULTS BY TENANT.

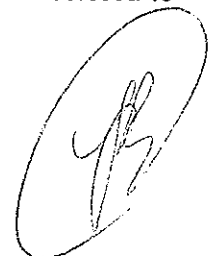
(a) Events of Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

(i) A failure by Tenant to pay any payments of Base Rent, (where such failure continues for ten (10) days after written notice thereof by Landlord to Tenant).

(ii) The abandonment or vacation (for a period in excess of twenty-one (21) days) of the Premises by Tenant along with nonpayment of Rent for that period of time.

(iii) A failure by Tenant to pay Additional Rent or make any other payment required to be made by Tenant hereunder (other than Base Rent as provided in Article 25(a)(i) above, for which a ten (10) day notice is sufficient) or a failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord; provided, however, that if the nature of such default is other than the payment of money and such that the same cannot reasonably be cured within such thirty (30) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently and continuously prosecute the same to completion, however such cure shall, in any event be completed within one hundred twenty (120) days from the date of service of notice.

(iv) The making by Tenant of any general assignment for the benefit of creditors, the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located on the Premises or Tenant's interest in this Lease, where possession is not restored to



Tenant within thirty (30) days; or the attachment, execution or other seizure of substantially all of Tenant's assets located on the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

(b) Remedies Upon Default. In the event of a default hereunder by Tenant, then, in addition to any other remedies available to Landlord at law or in equity, Landlord shall have the immediate option to terminate this Lease, or the right to possession without terminating the Lease, at Landlord's sole option and all rights of Tenant hereunder by giving written notice to Tenant of such intention to terminate. In the event that Landlord shall elect to so terminate this Lease, then Landlord may recover from Tenant:

(i) The amount of any unpaid rentals which had been earned at the time of such termination; plus

(ii) The amount of unpaid rentals which would have been earned between the termination hereof and the time of the award, plus

(iii) The amount by which unpaid rentals for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and

(iv) Any other amount necessary to compensate Landlord for all actual out-of-pocket costs, losses and damages caused by Tenant's failure to perform its obligations under this Lease, and

(iv) Such other amounts in addition to, or in lieu of, the foregoing as may be permitted from time to time by applicable law.

(c) The term "rent" as used herein shall mean the Base Rent, Additional Rent, and all other sums required to be paid by Tenant pursuant to the terms of this Lease. All such sums, other than the Base Rent, and other fully ascertainable amounts, shall be computed on the basis of the average monthly amount thereof accruing during the immediately preceding twelve (12) month period prior to default, except that if it becomes necessary to compute such rent before such twelve (12) month period has occurred, then such rent shall be computed on the basis of the average monthly amount accruing during such shorter period.

(d) In the event of any default by Tenant, Landlord also shall have the right to re-enter the Premises, as provided by law, and remove all persons and property therefrom, and such property may be removed and stored in public warehouse or elsewhere at the cost of and for the account of Tenant.

(e) In the event of the vacation or abandonment of the Premises by Tenant, or in the event that Landlord shall elect to re-enter as provided in Article 25.d. above or shall take possession of the Premises pursuant to legal proceedings or pursuant to any notice provided by law,

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and if Landlord does not elect to terminate this Lease as provided in Article 25.b. or Article 25.d. above, then Landlord may from time to time, without terminating this Lease, either recover all rents as they become due, or relet the Premises or any parts thereof for such term or terms, at such rent or rents and upon such other terms and conditions as the Landlord in its reasonable discretion, may deem advisable, with the right to make alterations and repairs to the Premises, which alterations and repairs shall be made at the expense of Tenant.

(f) In the event that Landlord shall elect to so relet, then rent received by Landlord from such reletting shall be applied: first, to the payment of any indebtedness other than rentals due hereunder from Tenant to Landlord; second, to the payment of any reasonable costs for such reletting including, but not limited to advertising, brokerage costs and fees and attorneys' fees; third, to the payment of any reasonable costs of any alterations and repairs to the Premises; and the residue, if any, shall be held by Landlord and applied in payment of future rentals as the same may become due and payable hereunder. Should that portion of rent received from reletting during any month, which are applied to the payment of rent hereunder, be less than the rent payable hereunder during that month by Tenant, then Tenant shall pay such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. Tenant shall also pay to Landlord, within thirty (30) days after written notice, any reasonable costs and expenses incurred by Landlord in such reletting or in making such alterations and repairs not covered by the rent received from such reletting of the Premises.

(g) No re-entry or taking possession of the Premises by Landlord pursuant to Articles 25.d. and 25.e. above shall be construed as an election to terminate this Lease nor shall such actions cause a forfeiture of rent or other charges remaining to be paid during the balance of the term hereof, unless written notice of such intention be given to Tenant or unless the termination hereof be decreed by a court of competent jurisdiction. Notwithstanding any reletting by Landlord without termination because of any default by Tenant, Landlord may at any time after such reletting elect to terminate this Lease for any such default.

26. TENANT'S PERSONAL PROPERTY.

Taxes. During the term hereof, Tenant shall pay prior to delinquency all taxes assessed against and levied upon fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises, and Tenant shall cause said fixtures, furnishings, equipment and other personal property to be assessed and billed separately from the real property of Landlord. In the event any or all of the Tenant's fixtures, furnishings, equipment and other personal property shall be assessed and taxed in combination with the Landlord's real property, Tenant shall pay to Landlord its share of such taxes within thirty (30) days after delivery to Tenant by Landlord of a statement setting forth the amount of such applicable to the Tenant's said property.

27. ATTORNEYS' FEES AND COSTS.

In the event of a default under the terms and provisions of this Lease, the losing party shall pay all reasonable costs and expenses, including reasonable attorneys' fees, which are incurred by the prevailing party in enforcing any of the covenants and agreements of this Lease, whether or not



incurred in the course of litigation.

28. RULES AND REGULATIONS. During the term of this Lease, Tenant covenants and agrees to obey and comply with any and all reasonable rules and regulations now or hereafter set by Landlord or contained in the Declaration of Covenants, Conditions, Restrictions and Easements referenced in Article 7, above. The violation of any such rules and regulations by Tenant shall be deemed a breach of and a default under this Lease by Tenant, affording Landlord all remedies reserved herein. Landlord shall not be responsible to Tenant for the nonperformance by any other tenant or occupant of the Property of any of said rules and regulations.

29. FEES AND BROKER. Tenant warrants and represents to Landlord, which warranty and representation shall survive the execution of this Lease, that it has not had negotiations with or dealt with any realtor, broker or agent in connection with the negotiation and execution of this Lease, and Tenant agrees to pay and to hold Landlord harmless from any cost, expense or liability (including the costs of suit and reasonable attorneys' fees) for and to hold Landlord harmless from any cost, expense or liability for any compensation, commissions or other charges claimed by any realtor, broker, agent or other person with respect to negotiation and implementation of this Lease. The parties acknowledge that Frank A. Baloun, is the broker/owner of Re/Max Alliance Downtown and is a licensee under the Real Estate License Act, and has an ownership interest in the subject Premises. Any amounts which may be owed to him shall be the sole responsibility of Landlord.

30. TENANT'S PROPERTY. Except for the negligence or willful conduct of Landlord, neither Landlord nor its agent or employees shall not be liable and Tenant waives all claims for any damage to persons and property sustained by Tenant or any person claiming through Tenant located on the Premises, nor for the loss or damage to any property of Tenant or of others by theft or otherwise, whether caused by other tenants or persons on the Property or in the Premises, occupants of adjacent property, or the public, or caused by operations in the construction of any private or quasi-public work. All property of Tenant kept or stored on the Premises shall be so kept or stored at the risk of Tenant.

31. CUMULATIVE RIGHTS AND REMEDIES. All rights and remedies of either party herein created or otherwise existing at law are cumulative, and the exercise of one or more rights or remedies shall not be taken to exclude or waive the right of either party to exercise of any other rights or remedies. All such rights and remedies may be exercised and enforced concurrently and whenever and as often as either party shall elect.

32. NON-WAIVER OF RIGHTS. The failure of either party to insist upon strict performance by the other party of any of the covenants, conditions and agreements of this Lease shall not be deemed a waiver of any subsequent breach or default by the other party in any of the covenants, conditions and agreements of this Lease. No surrender of the Premises shall be effected by Landlord's acceptance of rent or by any other means whatsoever unless the same be evidenced by Landlord's written acceptance of such as a surrender.

33. HOLDOVER AFTER EXPIRATION OF TERM. If Tenant retains possession of the Premises or any portion thereof after termination of this Lease by lapse of time or otherwise,



Tenant shall pay to Landlord as rent for the period of such retention of possession an amount equal to one-hundred fifty percent (150%) of the then-current Base Rent and one-hundred (100%) percent of the Additional Rent provided herein without notice or demand whatsoever, Landlord's acceptance of any rent after Tenant's holding over begins shall not be deemed to renew this Lease. In the alternative, and at the sole discretion of Landlord, Landlord may notify Tenant that said holding over shall constitute a month-to-month Lease except that Base Rent for the renewal term shall be one-hundred fifty percent (150%) of the then-current Base Rent, along with one-hundred (100%) percent of the Additional Rent provided for in this Lease. This paragraph does not waive Landlord's rights of re-entry or any other right hereunder.

34. NOTICE. Notices or demands required or permitted to be given hereunder shall be given in writing by United States registered or certified mail, return receipt requested, with postage prepaid, and addressed as follows:

If to Landlord at:

Pope Building Associates, L.L.C.
c/o Re/Max Alliance Downtown, Inc.
439 S. Dearborn Street
Chicago, Illinois 60605

With a copy to:

Robert A. Boron
Robert A. Boron, Ltd.
30 N. LaSalle St., #3400
Chicago, Illinois 60602
If to Tenant at:

Board of Education of the City of Chicago
125 South Clark Street, 16th Floor
Chicago, Illinois 60603
Attention: Director of Real Estate

With a copy to:

Board of Education of the City of Chicago
125 South Clark Street, 7th floor
Chicago, Illinois 60603
Attention: General Counsel

Notice or demand shall be deemed to be given if mailed on the earlier of actual receipt or three days after mailing or shall be deemed given on the date when delivered if personally delivered. Either party shall have the right to change the place at which notices are to be served, by giving notice of same in accordance with this section.

A handwritten signature, possibly "R.A. Boron", enclosed within a hand-drawn circle.

35. BINDING ON SUCCESSORS AND ASSIGNS. The provisions of this Lease shall run with the land and shall bind and inure to the benefit of the parties hereto, and their respective successors and assigns.

36. SEVERABILITY. If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, but each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

37. APPLICABLE LAW. This Lease shall be construed and enforced in accordance with the laws of the State of Illinois. In the event of litigation in connection with this Lease, any court of competent jurisdiction located in Cook County, Illinois, shall be deemed the appropriate venue for said litigation.

38. PERFORMANCE. Time is of the essence of this Lease.

39. RECORDING. Tenant shall not record this Lease without the prior written consent of the Landlord, and any such recording shall be deemed a default under this Lease.

40. HAZARDOUS MATERIAL. Tenant shall not cause or permit any Hazardous Material (as hereinafter defined) to be brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors or invitees, without the prior written consent of Landlord, which consent may be granted or withheld in Landlord's sole discretion. For the purpose of this Lease, "Hazardous Material" shall include oil, flammable explosives, asbestos, urea formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, any "hazardous substances," "hazardous wastes," "hazardous materials" or "toxic substances" as such terms are defined in the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation and Liability Act, and in any other law, ordinance, rule, regulation or order promulgated by the federal or state government, or any other governmental entity having jurisdiction over the Building or the parties to this Lease. If Tenant breaches the obligations set forth in this paragraph, or if the presence of Hazardous Material in the Premises or at the Building caused or permitted by Tenant (whether or not Landlord has given its consent to the presence of such Hazardous Material in the Premises) results in contamination of the Premises or any other part of the Building, or if contamination of the Building by Hazardous Material otherwise occurs for which Tenant is legally liable, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses, including, without limitation, diminution in value of the Building, damages for the loss or restriction on use of rentable or useable space or floor area in or of any amenity of the Building, damages arising from any adverse impact on leasing space in the Building, sums paid in settlement of claims, and any reasonable attorneys' fees, consultant fees and expert fees which arise during or after the term of this Lease as a result of such contamination. This indemnification of Landlord by Tenant shall survive expiration or termination of this Lease and includes, without limitation, costs incurred in connection with any investigation of site



conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in, on or under the Premises. Without limiting the foregoing, if the presence of any Hazardous Material caused or permitted by Tenant or its agents, employees, contractors or invitees, results in any contamination of the Building, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Building to the condition existing prior to the introduction of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effects on the Building. Tenant shall promptly notify Landlord of any such contamination.

41. TENANT'S CANCELLATION. Tenant shall have the right to terminate this Lease, said termination being effective at any time after December 31, 2006, upon not less than six (6) months' prior written notice, provided (a) Tenant is not in default of this Lease as of the date of service of termination notice, and (b) Tenant is not in default of this Lease as of the effective date of termination (and if Tenant is in default, such termination notice shall be deemed null and void). The parties further agree that this right is exclusively reserved to the Tenant and shall not inure to any purchasers, successors, sublessees, assignees or transferees of this Lease.

42. CONTINGENT LIABILITY. Any expenditure by Tenant beyond the then fiscal year of Tenant shall be deemed a contingent liability of Tenant, subject to appropriation in the subsequent fiscal year of Tenant. Notwithstanding anything contained herein to the contrary, Tenant shall not have the right to terminate this Lease due to lack of funding or appropriation, or for any other cause or reason not expressly set forth in this Lease.

43. QUIET ENJOYMENT. Upon Tenant's paying the rent and performing all of the other provisions of this Lease, Landlord agrees that Tenant shall peacefully and quietly have, hold and enjoy the Premises during the term of the Lease.

IN WITNESS WHEREOF, the parties have executed this Lease in multiple counterparts, each of which shall be deemed an original without the production of the others of them the day and year first above written.

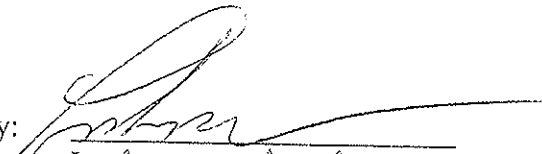
LANDLORD:

TENANT:

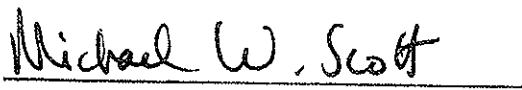
Pope Building Associates, L.L.C.

Board of Education of the City of Chicago

By:


Its Managing Member

By:


Michael W. Scott, President

Attest:

Estela G. Beltran
Estela G. Beltran, Secretary

Board Report No. 03-1217-OP 08

Approved as to Legal Form: *Ja*

Ruth Moscovitch
Ruth Moscovitch, General Counsel

