# Agenda City of St. Charles Liquor Control Commission Meeting Monday, April 21, 2025, 4:30 PM 2 E. Main Street

- 1. Call to Order.
- 2. Roll Call.
- 3. Motion to accept and place on file minutes of the Liquor Control Commission meeting held on March 17, 2025.
- 4. Discussion regarding a Complaint of Violation and Hearing Notice for SCMC Enterprises, d/b/a Beach Hut, located at 8 N. 3<sup>rd</sup> Street, St. Charles.
- 5. Recommendation to approve a proposal for a D-2 Liquor License Application for Driftwood Special Servicing LLC dba Courtyard by Marriott, Located at 700 Courtyard Dr., St. Charles.
- 6. Recommendation to approve a proposal for a B-3 Liquor License Application and 2am Late Night Liquor Application for Montauk Pickleball Club, LLC, Located at 100 N. Kirk Rd., St. Charles.
- 7. Recommendation to approve a proposal for an A-2 Liquor License Application for Whole Foods Market Group, Inc., Located at 300 S. 2<sup>nd</sup> St., St. Charles.
- 8. Public Comment.
- Executive Session (5 ILCS 120/2 (c)(4).
- 10. Adjournment.

#### **ADA Compliance**

Any individual with a disability requesting a reasonable accommodation in order to participate in a public meeting should contact the ADA Coordinator, Jennifer McMahon, at least 48 hours in advance of the scheduled meeting. The ADA Coordinator can be reached in person at 2 East Main Street, St. Charles, IL, via telephone at (630) 377 4446 or 800 526 0844 (TDD), or via e-mail at <a href="mailto:imcmahon@stcharlesil.gov">imcmahon@stcharlesil.gov</a>. Every effort will be made to allow for meeting participation. Notices of this meeting were posted consistent with the requirements of 5 ILCS 120/1 et seq. (Open Meetings Act).

# Minutes City of St. Charles Liquor Control Commission Meeting Monday, March 17, 2025, 4:30 PM 2 E. Main Street

#### 1. Call to Order.

The meeting was called to order by Chair Vitek at 4:30 p.m.

2. Roll Call.

Present: Zollers, Pietryla. Absent: Gehm, Spellman

3. Motion by Pietryla, second by Zollers to accept and place on file minutes of the Liquor Control Commission meeting held on January 21, 2025.

**Voice Vote:** Ayes: Zollers, Pietryla. Nays: None. Absent: Gehm, Spellman. Abstain: None. Commissioner Vitek did not vote as chair.

**Motion Carried** 

4. Recommendation to amend City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.070 "Application Requirements" of the St. Charles Municipal Code.

Acting Chief Majewski stated that this amendment will remove the language from the existing ordinance that states that licensing fee payments are accepted by check or cash only. This amendment is necessary to allow credit card payments to be accepted via the new licensing online portal.

Motion by Pietryla, second by Zollers to approve recommendation to amend City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.070 "Application Requirements" of the St. Charles Municipal Code.

**Roll Call Vote:** Ayes: Zollers, Pietryla. Absent: Gehm, Spellman. Abstain: None. Commissioner Vitek did not vote as chair.

**Motion Carried** 

 Recommendation to amend City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.090 "License Classifications" of the St. Charles Municipal Code (Class D-10). Acting Chief Majewski stated that this amendment would remove the word "museums" from the current D-10 liquor license class. He further stated that a new liquor license class D-14 is being established to accommodate licenses for museums in the next agenda item.

Ald. Pietryla wanted to clarify if this change would affect any existing liquor licenses.

Attorney Peppers said that it would not affect any existing liquor licenses and that this change would take effect under the new licensing period which begins on May 1, 2025.

Motion by Pietryla, second by Zollers to approve recommendation to amend City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.090 "License Classifications" of the St. Charles Municipal Code (Class D-10).

**Roll Call Vote:** Ayes: Zollers, Pietryla. Absent: Gehm, Spellman. Abstain: None. Commissioner Vitek did not vote as chair. **Motion Carried** 

6. Recommendation to amend City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.090 "License Classifications" of the St. Charles Municipal Code (Class D-14).

Acting Chief Majewski stated that this new D-14 Liquor Class will accommodate a retail sale of packaged alcohol as well as consumption of alcohol on premises at an existing Moto Art Bar business, to be considered for liquor license change approval under item # 8 on this agenda.

Moved by Pietryla, second by Zollers to approve recommendation to amend City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.090 "License Classifications" of the St. Charles Municipal Code (Class D-14).

**Roll Call Vote:** Ayes: Zollers, Pietryla. Absent: Gehm, Spellman. Abstain: None. Commissioner Vitek did not vote as chair.

**Motion Carried** 

7. Recommendation of late-night permit applications for Class B and C liquor licenses in the City of St. Charles for fiscal year 2025/2026.

Acting Chief Majewski presented the late-night permit applications and recommended all of the (26) applications to be approved for fiscal year 2025-2026.

Motion by Zollers, second by Pietryla to approve the recommendation of late-night permit applications for Class B and C liquor licenses in the City of St. Charles for fiscal year 2025/2026.

Roll Call Vote: Ayes: Zollers, Pietryla. Absent: Gehm, Spellman. Abstain: None.

Commissioner Vitek did not vote as chair.

**Motion Carried** 

8. Recommendation to approve a liquor license class change from D-10 to D-14 for Moto Art Bar, Inc., located at 1317 E. Main St., St. Charles.

Acting Chief Majewski presented the liquor license class change request for Moto Art Bar, Inc. that will accommodate the new business concept that includes the retail sale of bottled alcohol in addition to consumption on premises.

Ald. Pietryla asked if the bottled alcohol would be sold to anyone or only the patrons of the museum.

Acting Chief Majewski stated that only patrons that paid for the admission to the museum would be able to consume alcohol on premises as well as purchase bottled alcohol, which he has confirmed with the owner of the business that was present at this meeting.

Ms. Zollers asked if the bottled alcohol sold at the museum could be purchased at other stores.

The owner of Moto Art Bar, Mr. Andy Koczwara, stated that the alcohol to be sold at retail is specifically branded for the museum. The alcohol sold behind the bar and consumed on premises will be in a separate area and will include other brands that are carried by liquor stores.

Attorney Nick Peppers asked for item # 6 to be reconsidered for approval with some language changes to the amendment of said ordinance after hearing the details of the business concept from the owner of Moto Art Bar.

Motion by Zollers, second by Pietryla to approve recommendation of a liquor license class change from D-10 to D-14 for Moto Art Bar, Inc., located at 1317 E. Main St., St. Charles.

**Roll Call Vote:** Ayes: Zollers, Pietryla. Absent: Gehm, Spellman. Abstain: None. Commissioner Vitek did not vote as chair.

**Motion Carried** 

 Motion by Pietryla, second by Zollers to reconsider the approval of the amendment to the City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.090 "License Classifications" of the St. Charles Municipal Code with added language (Class D-14).

Attorney Peppers stated that additional language needs to be added to the amendment of the City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.090 "License Classifications" of the St. Charles Municipal Code. The new language is in bald print below and shall include the following:

**D-14. Class D-14** licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises of a museum, for consumption on the premises as determined in an approved site plan from a service bar or snack shop. Such licenses shall only be issued to establishments where the service of alcoholic beverages is ancillary and incidental to entertainment services. This liquor license shall authorize the sale of gourmet craft beer/wines in their original sealed package or container for consumption off the premises. For purposes of this section, such on-premises and **off-premises** sale of gourmet craft beer/wine shall be incidental to museum events and comprise no more than ten percent (10%) of the gross square footage.

Motion by Pietryla, second by Zollers to approve the recommendation to amend the City Ordinance Title 5 "Business Licenses and Regulations," Chapter 5.08 "Alcoholic Beverages," and Section 5.08.090 "License Classifications" of the St. Charles Municipal Code with addition of the "off-premises" verbiage (Class D-14).

**Roll Call Vote:** Ayes: Zollers, Pietryla. Absent: Gehm, Spellman. Abstain: None. Commissioner Vitek did not vote as chair. **Motion Carried** 

- 10. Public Comment None
- 11. Executive Session (5 ILCS 120/2 (c)(4). None
- 12. Adjournment.

Motion by Zollers, second by Pietryla to adjourn the meeting at 4:54 p.m.

**Voice Vote:** Ayes: Zollers, Pietryla. Nays: None. Absent: Spellman, Gehm; Abstain: None. Commissioner Vitek did not vote as chair.

**Motion carried** 

Minutes prepared by: Marzena Sheets, Deputy City Clerk

|   | AGEN                  | AGENDA ITEM EXECUTIVE SUMMARY Agenda Item number: 4       |                               |        |                      |  |
|---|-----------------------|---|-------------------------------|--------|----------------------|--|
|   |                       | Discussion Regarding a Complaint of Violation and Hearing |                               |        |                      |  |
|   | Title:                | Notice fo   | or SCMC Enterprises, d/b/a Be | each I | Hut, located at 8 N. |  |
|   | 3 <sup>rd</sup> Stree | t, St. Charles.   | rles.                         |        |                      |  |
| CITY OF<br>ST. CHARLES<br>ILLINOIS • 1834   | Presenter:            | Acting Chief Majewski                                     |                               |        |                      |  |
| Meeting: Liqu   | or Control Co         | mmission  | <b>Date:</b> April 21, 202    | 25     |                      |  |
| Proposed Cost   | :                     |   | Budgeted Amount: \$           |        | Not Budgeted:        |  |
| TIF District: Cl  | noose an iten         | 1.  |                               |        |                      |  |
| Executive Sum   | mary (if not          | budgeted,   | please explain):              |        |                      |  |
| This is a complaint of violation brought before the Liquor Control Commission to determine whether the St. Charles Local Liquor Control Commission, pursuant to this authority, shall revoke of suspend the local liquor license issued or impose a fine upon by reason of the Complaint of Violation filed by the Police Department of offense happening on or about February 23, 2025, at the establishment of the SCMC Enterprises, d//b/a Beach Hut, located at 8 N. 3 <sup>rd</sup> Street, St. Charles. |                       |   |                               |        |                      |  |
| Attachments (please list):  |                       |   |                               |        |                      |  |
| Citation, Notice of Hearing and Arraignment Form  |                       |   |                               |        |                      |  |
| Recommendation/Suggested Action (briefly explain):  |                       |   |                               |        |                      |  |
| Discussion regarding a Complaint of Violation and Hearing Notice for SCMC Enterprises, d/b/a Beach Hut, located at 8 N. 3 <sup>rd</sup> Street, St. Charles.  |                       |   |                               |        |                      |  |

| STATE OF ILLINOIS                          | )   |
|--|---|
| COUNTIES OF KANE AND DU PAGE               | ) SS<br>)   |
|  | LIQUOR CONTROL COMMISSION<br>OF ST. CHARLES, ILLINOIS |
|  |   |
| IN THE MATTER OF THE LIQUOR<br>LICENSE OF: | )   |

#### **NOTICE OF HEARING**

TO: SCMC Enterprises d/b/a Beach Hut 8 N. 3<sup>rd</sup> Street St. Charles, IL 60174

PLEASE TAKE NOTICE THAT on April 21, 2025, at the hour of 4:30 p.m., in the City Council Chambers at the St. Charles City Hall, 2 East Main Street, City of St. Charles, Illinois, the St. Charles Local Liquor Control Commission shall conduct a hearing pursuant to Chapters 5.08.095 and 5.08.320 of the Municipal Code of the City of St. Charles and the Liquor Control Act of 1934, 235 ILCS 5/1-1 et seq.

The purpose of said hearing shall be to determine whether the St. Charles Local Liquor Control Commission, pursuant to this authority, shall revoke or suspend the local liquor license issued to you or impose a fine upon you, or both, by reason of the Complaint of Violation filed by the Deputy Chief of Police, Eric Majewski, a copy of which is attached.

AT WHICH TIME AND PLACE YOU MAY APPEAR AND DEFEND. YOU MAY BE REPRESENTED BY AN ATTORNEY IF YOU SO CHOOSE. ATTACHED HERETO IS AN ARRAIGNMENT FORM, WHICH IS INCORPORATED HEREIN. THE ARRAIGNMENT FORM SHOULD BE COMPLETED AND FILED WITH THE CITY CLERK WITHIN THREE (3) BUSINESS DAYS PRIOR TO THE HEARING. IF YOU FAIL TO FILE THE ARRAIGNMENT FORM WITHIN THREE (3) BUSINESS DAYS PRIOR TO THE HEARING AND/OR IF YOU FAIL TO APPEAR AT THE HEARING, YOU WILL BE FOUND GUILTY OF THE VIOLATION BY DEFAULT AND THE ST. CHARLES LOCAL LIQUOR CONTROL COMMISSION WILL DETERMINE THE APPROPRIATE PENALTY.

YOU ARE ADVISED THAT IF A HEARING IS HELD AND YOU ARE FOUND GUILTY AFTER THE HEARING, THEN, IN ACCORDANCE WITH SECTION 5.08.320 OF THE ST. CHARLES MUNICIPAL CODE, YOU WILL BE REQUIRED TO REIMBURSE THE CITY FOR ANY AND ALL OUT OF POCKET EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES, COURT REPORTER APPEARANCE FEES AND THE COST OF HAVING POLICE OFFICERS AND WITNESSES PRESENT TO TESTIFY. ANY AND ALL QUESTIONS MUST BE DIRECTED TO THE CITY ATTORNEY, NICHOLAS S. PEPPERS, AT E-MAIL NPEPPERS@SRD-LAW.COM OR 847/318-9500 OR TO THE DEPUTY CITY CLERK, MARZENA SHEETS, AT 630/377-4422.

DATED this ZN day of april, 2025.

Lora A. Vitek, Local Liquor Control Commissioner City of St. Charles

cc: Heather McGuire, City Administrator Eric Majewski, Deputy Chief of Police

| STATE OF ILLINOIS ) ) SS   |
|--|
| COUNTIES OF KANE AND DU PAGE )   |
| CERTIFICATE OF SERVICE   |
| The undersigned, being first duly sworn on oath, deposes and states that he did serve a copy of        |
| the Notice of Hearing upon the person to whom it is directed by leaving a copy with said individual as |
| follows: TYLER RUDOWICZ (11/14/98) at 8 1. 300 5T  |
| on the 2 19 day of APRIL , 2025.   |
|  |
| SUBSCRIBED AND SWORN to before me this   |
| NOTARY PUBLIC  |

"OFFICIAL SEAL"
SARAK CASS
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION NO. 758523
MY COMMISSION EXPIRES 11/29/2027

| REFORE THE LOCAL I           | IOIIO |
|------------------------------|-------|
| COUNTIES OF KANE AND DU PAGE | )     |
|                              | ) SS  |
| STATE OF ILLINOIS            | )     |

# BEFORE THE LOCAL LIQUOR CONTROL COMMISSION OF THE CITY OF ST. CHARLES, ILLINOIS

| IN THE MATTER OF THE LIQUOR    | )   |                        |
|--------------------------------|-----|------------------------|
| LICENSE OF:                    | )   |                        |
|                                | )   | Case Number 2025-LC-01 |
| SCMC ENTERPRISES d/b/a BEACH H | UT) |                        |
| 8 N. 3 <sup>rd</sup> Street    | )   |                        |
| St. Charles, Illinois 60174    | )   |                        |

#### COMPLAINT OF VIOLATION

**NOW COMES** the Petitioner, Eric Majewski, Deputy Chief of Police of the City of St. Charles, Illinois, and files this Complaint before the Local Liquor Control Commission of the City of St. Charles, Illinois, and states as follows:

- 1. The Petitioner is the duly appointed Deputy Chief of Police of the City of St. Charles and as such is charged with the duty of enforcing the laws of the State of Illinois and the ordinances of the City of St. Charles.
- 2. On or about February 23, 2025, at approximately 2:19 a.m., the Licensee, SCMC Enterprises d/b/a Beach Hut, by and through its employees, officers and/or agents, committed the following offense in or upon the licensed premises at 8 N. 3<sup>rd</sup> Street, St. Charles, Illinois:

#### OFFENSE (AFTER HOURS VIOLATION)

Sold alcoholic beverages during hours in which sale of such alcoholic liquor is prohibited and remained open for business and permitted individuals to remain within its premises during hours in which the sale of alcoholic liquor is prohibited.

- 3. On or about February 23, 2025, SCMC Enterprises d/b/a Beach Hut was operating under a Class C-1 liquor license and a 2:00 a.m. late night permit issued by the City of St. Charles.
- 4. That the act detailed in Section 2 of this Complaint of Violation is prohibited and is in violation of and contrary to Section 5.08.250(O) of the St. Charles Municipal Code and the Liquor Control Act of 1934.

5. That the Licensee, SCMC Enterprises d/b/a Beach Hut, is responsible for the acts of its employees, officers and agents and is required to ensure that no violations of state law or ordinances of the City of St. Charles take place on said premises.

WHEREFORE, the Petitioner, Eric Majewski, Deputy Chief of Police, requests, pursuant to Section 5.08.320 of the St. Charles Municipal Code, that the Local Liquor Control Commission hold a hearing on this matter and take such action against SCMC Enterprises d/b/a Beach Hut as the Commission shall deem appropriate under the circumstances.

Eric Majewski, Deputy Chief of Police City of St. Charles, Illinois

Nicholas S. Peppers Storino, Ramello & Durkin 9501 Technology Boulevard Suite 4200 Rosemont, Illinois 60018 (847) 318-9500

| STATE OF ILLINOIS            | )    |
|------------------------------|------|
|                              | ) SS |
| COUNTIES OF KANE AND DU PAGE | )    |

#### **CERTIFICATION**

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and, as to such matters, the undersigned certifies as aforesaid that he verily believes the same to be true.

Eric Majewski, Deputy Chief of Police

Subscribed and Sworn to before me this 200 day of april

. 2025

Notary Public

"OFFICIAL SEAL"
SARAK CASS
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION NO. 758823
MY COMMISSION EXPIRES 11/28/2027

#### ARRAIGNMENT FORM

Case Number 2025-LC-01

| K             |  | . C. SCN 44      |  |  |  |  |  |
|---------------|--|------------------|--|--|--|--|--|
| I, <u>//</u>  |  |                  | Enterprises d/b/a Beach Hut, being a licensee  |  |  |  |  |
|               | charged with a violation of Chapter 5.08.250(O) of the Municipal Code of the City of St. Charles and |                  |  |  |  |  |  |
| the Liquor Co | ontrol Act of 1934, 235 ILCS   | 5/1-1 et seq.,   | at 8 N. 3rd Street, St. Charles, Illinois 60174,   |  |  |  |  |
| do hereby ent | er a plea of:  |                  |  |  |  |  |  |
|               | •  |                  |  |  |  |  |  |
|               | Guilty, but request a hearing present evidence in support  |                  | on in which I will be given an opportunity to a to minimize any penalty.                           |  |  |  |  |
|               | Guilty, I do not request a he  | aring.           |  |  |  |  |  |
|               | Not Guilty. I request a hear   | ing.             |  |  |  |  |  |
|               |  |                  | SCMC Enterprises d/b/a Beach Hut   |  |  |  |  |
|               | i i  | Signature: Date: | H/4/25   |  |  |  |  |
| Subscribed ar | day ofday of   | , 2025.          |  |  |  |  |  |
| Notar         | y Public   |                  | Official Seal Kristen Ann Rudowicz Notary Public State of Illinois My Commission Expires 3/29/2026 |  |  |  |  |

Form can be faxed to 630/377-4440 or e-mailed to the attention of Marzena Sheets at <a href="maileometric-mai

|  | AGEN           | AGENDA ITEM EXECUTIVE SUMMARY Agenda Item number: 5   |                                     |                                 |  |  |  |
|--|----------------|---|-------------------------------------|---------------------------------|--|--|--|
| A  |                | Recommendation to approve a Proposal for a D-2 Liquor |                                     |                                 |  |  |  |
|  | Title:         | License A   | Application for Driftwood Spe       | cial Servicing LLC dba          |  |  |  |
|  | Title.         | Courtya   | rd by Marriott, Located at 700      | Courtyard Dr., St.              |  |  |  |
|  |                | Charles   |                                     |                                 |  |  |  |
| ST. CHARLES  ILLINOIS • 1834   | Presenter:     | Acting Do   | Acting Police Chief Eric Majewski   |                                 |  |  |  |
|  | Presenter.     | Acting Po   | iice Ciliei Eric Majewski           |                                 |  |  |  |
| Meeting: Liqu  | or Control Co  | mmission  | <b>Date:</b> April 21, 20           | 25                              |  |  |  |
| Proposed Cost: Budgeted Amount: \$ Not Budgeted:   |                |   |                                     |                                 |  |  |  |
| TIF District: Cl   | hoose an iten  | 1.  |                                     |                                 |  |  |  |
| <b>Executive Sum</b>   | mary (if not   | budgeted,   | please explain):                    |                                 |  |  |  |
|  |                |   |                                     |                                 |  |  |  |
| Driftwood Spec   | cial Servicing | LLC. dba C  | ourtvard by Marriott. located at 70 | 00 Courtvard Dr., is requesting |  |  |  |
| Driftwood Special Servicing LLC, dba Courtyard by Marriott, located at 700 Courtyard Dr., is requesting approval of a D-2 liquor license application for their business. |                |   |                                     |                                 |  |  |  |
|  |                |   |                                     |                                 |  |  |  |
|  |                |   |                                     |                                 |  |  |  |
|  |                |   |                                     |                                 |  |  |  |
|  |                |   |                                     |                                 |  |  |  |
|  |                |   |                                     |                                 |  |  |  |
| Attach we out a / a loos of light):  |                |   |                                     |                                 |  |  |  |
| Attachments (please list): Liquor License  |                |   |                                     |                                 |  |  |  |
| Liquoi License   |                |   |                                     |                                 |  |  |  |
| Recommendation/Suggested Action (briefly explain):   |                |   |                                     |                                 |  |  |  |
| Recommendation to approve a proposal for a D-2 Liquor License Application for Driftwood Special  |                |   |                                     |                                 |  |  |  |
| Servicing LLC, dba Courtyard by Marriott, located at 700 Courtyard Dr., St. Charles.   |                |   |                                     |                                 |  |  |  |

#### Police Department

# Memo



Date: 4/17/2025

To: Lora Vitek, Mayor-Liquor Commissioner

From: Eric Majewski, Deputy Chief of Police

Re: Background Investigation- Driftwood Special Servicing LLC dba Courtyard by

Marriot, 700 Courtyard Dr. St. Charles (D-2 Liquor License)

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above-mentioned establishment.

Courtyard by Marriot will be under the new ownership of Driftwood Special Servicing LLC and remain located at 700 Courtyard Dr. The staff at the business will remain the same and operationally there are no changes.

The site location/floor plans and the corresponding application materials were reviewed by my staff. We found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with an on-site consumption license, subject to City Council approval.

Please see the application material, floorplan and business-plan for further details.

#### Police Department

# Memo

Date: 04/15/2025

To: Deputy Chief Eric Majewski #317

From: Commander Drew Lamela #340

Re: Liquor License Application / Courtyard by Marriott St. Charles



The purpose of this memo is to document the background investigation of the Courtyard by Marriott St. Charles pursuant to its application for a Class D-2 liquor license. A Class D-2 license shall authorize the retail sale of alcoholic liquors for consumption on the premises of any hotel or motel only and shall be issued only to the operator of said hotel or motel. Additionally, each of the residence rooms of the hotel or motel may have a mini bar that may be accessed only by a special key obtained from the hotel management by a patron that may be served alcoholic liquors.

#### **Applicant**

Driftwood Special Servicing, LLC 11770 N. US Highway 1-202 N. Palm Beach, Florida 33408

#### **General Manager**

Schal<u>la, Mark J</u>

DOB:

#### **Application**

The application was received on 03/19/2025. The application is complete to include a signed lease, a business plan, floor plan, Certificate of Incorporation, and a Certificate of Insurance (dram shop). Mark Schalla is listed as the General Manager of Courtyard by Marriott St. Charles. The Illinois Liquor Control Commission listed their current state license as active. Courtyard by Marriott St. Charles has an active status via the Illinois Secretary of State website. A copy of the lease agreement was included with the application between Driftwood Special Servicing, LLC and MS 700 Courtyard Dr, LLC.

Courtyard by Marriott St. Charles is located at 700 Courtyard Dr. in St. Charles, Illinois. Courtyard by Marriott St. Charles is currently in operation. Courtyard by Marriott St. Charles offers alcoholic beverages for on-site consumption.

# General Manager Schalla, Mark J DOB:

On 04/14/2025, I spoke with Mark Schalla and advised him of this investigation. Mark explained that the Courtyard by Marriott St. Charles recently changed ownership to Driftwood Special Servicing, LLC. Mark stated that Courtyard by Marriott St. Charles was previously owned by CCIL Associates, LLC. Mark advised that Driftwood Special Servicing, LLC officially took over on 03/12/2025. Mark stated that, operationally, nothing has changed inside the hotel. Schall stated that the staff remains the same and no changes have been made.

Mark stated that our department conducted a background investigation on him in March of 2021 while under the previous ownership of CCIL Associates, LLC. Mark stated that he still resides at the above. Mark provided the city with a copy of his Basset license through Learn2Serve.

I ran Mark through the Illinois Liquor Control Commission, which showed his BASSET certification to be valid and expires on 03/19/2027.

A search through the Chicago Police Department's IClear system revealed no contact with Mark.

A search through the Kane County Aegis system revealed no contact with Mark.

A search through our department's New World system revealed no negative contacts with Mark.

- SCPD 22-20710 Complainant Criminal Trespass Location: Courtyard by Marriott St. Charles
- SCPD 23-8421 Complainant Criminal Trespass Location: Courtyard by Marriott St. Charles
- SCPD 24-5210 Other Person Fraud Location: Courtyard by Marriott
- BPD 07/28/2013 Warning Citation Offense: Speeding

A search through Kane County, Cook County, DuPage County, Will County and the DeKalb County Clerk's Office revealed no prior or current court cases with Mark.

A search through TLOxp revealed no judgements, liens or forfeitures against Mark.

This concludes this background investigation.

Commander Drew Lamela #340



#### City of St. Charles License Certification

| Applicant Name  | Business Name   |
|---|---|
| Driftwood Special Servicing, LLC  | Courtyard by Marriott St. Charles                           |
| Type of License:  ☑ Liquor  ☐ Massage Establishment  ☐ Cigarette/Tobacco  ☐ Videogaming | Business Address  700 Courtyard Drive St. Charles, IL 60174 |

As a condition to the issuance by the City of the requested license, applicant does hereby agree to operate the aforesaid licensed business in accordance with the Codes, Ordinances and Policies of the City of St. Charles, County of Kane, and State of Illinois, now in force, or which may be enacted during the duration of this issued license. Applicant certifies and acknowledges that the information contained within this new license application, or its renewal, is true and correct. Applicant acknowledges that an untrue, incorrect, or misleading answer given in this application is grounds for the refusal to grant, or the revocation of, any license granted pursuant to this application.

# **Business Entity Search**

#### **Entity Information**

|                                 | *  |                          |                      |  |  |  |
|---------------------------------|--|--------------------------|----------------------|--|--|--|
| Entity<br>Name                  | DRIFTWOOD SPECIAL SERVICING, LLC                         |                          |                      |  |  |  |
| Principal<br>Address            | 11770 N US HWY 1 SUITE 202<br>N PALM BCH,FL 33408        | 2                        |                      |  |  |  |
| File<br>Number                  | 04954203   | Status                   | ACTIVE on 09-05-2024 |  |  |  |
| Entity Type                     | LLC  | Type of LLC              | Foreign              |  |  |  |
| Org.<br>Date/Admissi<br>Date    | <b>on</b> 11-18-2014                                     | Jurisdiction             | DE                   |  |  |  |
| Duration                        | PERPETUAL  |                          |                      |  |  |  |
| Annual<br>Report<br>Filing Date | 09-05-2024   | Annual<br>Report<br>Year | 2024                 |  |  |  |
| Agent<br>Information            | ILLINOIS CORPORATION SERVICE COMPANY 801 ADLAI STEVENSON | Agent<br>Change<br>Date  | 11-18-2014           |  |  |  |

4261

SPRINGFIELD, IL 62703-

# license details

#### TRETURN TO SEARCH RESULTS >

#### License

License Number

1A-1124943

License Class

1A - RETAILER

**Retail Type** 

ON-PREMISES CONSUMPTION

Sales Tax Account #

41569792

**Issue Date** 

11/13/2024

**Expiration Date** 

12/31/2025

**Application Status** 

Renewal

**License Status** 

Active

#### **Business**

Licensee Name

DRIFTWOOD SPECIAL SERVICING, LLC

**Business Name** 

**CROWNE PLAZA** 

**Address** 

3000 S DIRKSEN PKWY SPRINGFIELD IL, 627034504

#### Туре

Hotel/Motel

#### **Owners**

BUDDEMEYER, DAVID PRESIDENT 50.00 DIAZ, CHARLES VICE PRESIDENT 50.00

## license details

#### TETURN TO SEARCH RESULTS >

#### License

License Number

1A-1147620

**License Class** 

1A - RETAILER

**Retail Type** 

**ON-PREMISES CONSUMPTION** 

Sales Tax Account #

43854079

**Issue Date** 

04/25/2024

**Expiration Date** 

04/30/2025

**Application Status** 

Renewal

**License Status** 

Active

#### **Business**

**Licensee Name** 

CCIL ASSOCIATES LLC

**Business Name** 

COURTYARD BY MARRIOTT ST CHARLES

#### **Address**

700 COURTYARD DR SAINT CHARLES IL, 601741497

#### Type

Hotel/Motel

#### Owners

KOLESSAR, JEFFREY LLC-MEMBER 50.00 WELLENBUSHER, JOSEPH LLC-MEMBER 50.00

### Form LLC-50.1

#### Secretary of State

Department of Business Services Limited Liability Division 501 S. Second St., Rm. 351 Springfield, IL 62756 217-524-8008 www.ilsos.gov

#### Illinois Limited Liability Company Act

#### **Annual Report**

Filing Fee:

Series Fee, if required: 0.00 Penalty: Total:

75.00

75.00

04954203 FILE#

11/01/2024 Due prior to:

**FILED** 

September 5, 2024

**Alexi Giannoulias Secretary of State** 

| 1. | Limited Liability Company Name: DRIFTWOOD SPECIAL SERVICING, LLC   |
|----|--|
|    | Registered Agent: ILLINOIS CORPORATION SERVICE COMPANY   |
|    | 801 ADLAI STEVENSON DRIVE  |
|    | SPRINGFIELD, IL 62703-4261   |
| 2. | State or Country of Organization: DE Date Organized in or Admitted to Illinois: 11/18/2014   |
| 3. | Address of Principal Place of Business:  |
|    | 11770 N US HWY 1 SUITE 202 N PALM BCH, FL 33408  |
|    | DIAZ, CHARLES M.   |
| 5. | Entity managers affirm their current existence.  |
| 6. | Changes to the registered agent and/or registered office must be submitted on Form LLC-1.36/1.37.  |
| 7. | I affirm, under penalties of perjury, having authority to sign thereto, that this Annual Report is to the best of my knowledge and belief, true, correct and complete. |
|    | Dated: September 5 2024  |
|    | Month/Day Year   |
| 1  | BUDDEMEYER, DAVID  |
|    | Name   |
|    | MANAGER Title  |
|    |  |

If applicant is a company or other entity, state Name of Company

#### City of St. Charles ALCOHOL TAX **BUSINESS INFORMATION SHEET**

As a new business serving or selling alcohol in the City of St. Charles, the following information must be provided to assist with the processing of your monthly Alcohol Tax returns.

#### **BUSINESS CONTACT INFORMATION**

Corporate name: Driftwood Special Servicing, LLC

DBA: Courtyard by Marriott St. Charles

Phone: 630-377-6370

Fax:

E-mail: legal@dhmhotels.com

Address: 700 Courtyard Drive

City: Saint Charles

State: IL

ZIP Code:<sup>60174</sup>

Expected date of business opening (Required): 04/01/2025

TAX PREPARER INFORMATION

Name of Tax Preparer: Eric Hugo

Phone: (561) 207-2745

Fax:

E-mail: ehugo@dhmhotels.com

This completed form must be submitted with your liquor license application and "Acknowledgement of City Alcohol Tax" to the City of St. Charles Administration Office.



#### CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY) 03/21/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER, THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(les) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this

| certificate does not comer rights to the certificate holder in fied of such endorsement(s). |   |                |       |  |  |
|---|---|----------------|-------|--|--|
| PRODUCER  | CONTACT<br>NAME:  |                |       |  |  |
| Aon Risk Services, Inc of Florida<br>701 Brickell Avenue                                    | PHONE (A/C. No. Ext): (856) 283-7122 FAX (A/C. No.): (800) 363-0105 |                |       |  |  |
| Suite 3200<br>Miami FL 33131 USA  | E-MAIL<br>ADORESS:  |                |       |  |  |
|   | INSURER(S) AFFORDING CO   | VERAGE         | NA1C# |  |  |
| INSUREO   | INSURERA: Starr Indemnity & Liab                                    | nility Company | 38318 |  |  |
| Driftwood Hospitality Management LLC Driftwood Hospitality Management II LLC                | MASURER B: Markel American Ins Co 28932                             |                |       |  |  |
| 11770 US Hwy One East Tower   | INSURER C:  |                |       |  |  |
| Suite 202<br>North Palm Beach FL 33408 USA  | INSURER D:  |                |       |  |  |
| 1   | INSURER E:  |                |       |  |  |
|   | INSURER F:  |                |       |  |  |
|   |   |                |       |  |  |

CERTIFICATE NUMBER: 570111550512 COVERAGES REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUICH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUICED BY PAID CLAIMS.

|             | CLUSIONS AND CONDITIONS OF SUCH                           |      |      |               |              |                            | io. Limits sh                                | own are as requested |
|-------------|---|------|------|---------------|--------------|----------------------------|--|----------------------|
| INSR<br>LTA | TYPE OF INSURANCE   | ADDL | SUBR | POLICY NUMBER | (MM/DO/YYYY) | POLICY EXP<br>(MM/DD/YYYY) | LIMITS                                       | 3                    |
| A           | X COMMERCIAL GENERAL LIABILITY                            |      |      | 1000100161251 | 03/19/2025   | 03/19/2026                 | EACH OCCURRENCE                              | \$2,000,000          |
|             | CLAIMS-MADE X OCCUR                                       |      |      |               |              |                            | DAMAGE TO RENTED<br>PREMISES (Ea occurrence) | \$300,000            |
|             |   |      |      |               |              |                            | MED EXP (Any one person)                     | Excluded             |
|             |   |      |      |               |              |                            | PERSONAL & ADV INJURY                        | \$2,000,000          |
|             | GEN'L AGGREGATE LIMIT APPLIES PER:                        |      |      |               |              |                            | GENERAL AGGREGATE                            | \$2,000,000          |
|             | POLICY X PRO- X LOC                                       |      |      |               |              |                            | PRODUCTS - COMP/OP AGG                       | \$4,000,000          |
|             | OTHER:  |      |      |               |              |                            | Policy Aggregate                             | \$10,000,000         |
| Α           | AUTOMOBILE LIABILITY                                      | Ì    |      | 1000198205251 | 03/19/2025   | 03/19/2026                 | COMBINED SINGLE LIMIT (Ea accident)          | \$2,000,000          |
|             | X ANY AUTO  |      |      |               |              |                            | BODILY INJURY ( Per person)                  |                      |
|             | OWNED SCHEDULED   |      |      |               |              |                            | BODILY INJURY (Per accident)                 |                      |
|             | AUTOS ONLY HIRED AUTOS ONLY AUTOS ONLY AUTOS ONLY         |      |      |               |              |                            | PROPERTY DAMAGE<br>(Per accident)            |                      |
|             |   |      |      |               |              |                            | i  |                      |
| Α           | UMBRELLALIAB X OCCUR                                      |      |      | 1000589669251 | 03/19/2025   | 03/19/2026                 | EACH OCCURRENCE                              | \$10,000,000         |
|             | X EXCESS LIAB CLAIMS-MADE                                 |      |      |               |              |                            | AGGREGATE                                    | \$10,000,000         |
|             | DED RETENTION   |      |      |               |              |                            |  | ·                    |
| Α           | WORKERS COMPENSATION AND<br>EMPLOYERS' LIABILITY          |      |      | 1000004553    | 03/19/2025   | 03/19/2026                 | X PER STATUTE OTH-                           |                      |
|             | ANY PROPRIETOR / PARTNER / EXECUTIVE                      | N/A  |      |               |              |                            | E.L. EACH ACCIDENT                           | \$1,000,000          |
|             | (Mandalory in NH)   | N/A  |      |               |              |                            | E.L. DISEASE-EA EMPLOYEE                     | \$1,000,000          |
|             | fl yes, describe under<br>DESCRIPTION OF OPERATIONS below |      |      |               |              |                            | E.L. DISEASE-POLICY LIMIT                    | \$1,000,000          |
| Α           | Liquor Liability Coverage                                 |      |      | 1000302542251 | 03/19/2025   | 03/19/2026                 | Each Common Occ                              | \$2,000,000          |
|             |   |      |      |               |              |                            | Aggregate                                    | \$4,000,000          |
| l           |   |      |      |               | I            |                            |  |                      |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: St. Charles Marriott Courtyard - 700 Courtyard Drive, St. Charles, IL 60174, Named Insured includes: M5 700 Courtyard Dr, LLC

| CERTIFICATE | HOLDER |
|-------------|--------|
|-------------|--------|

#### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

City of St. Charles 2 E. Main Street St. Charles IL 60173 USA

Aon Pick Services Inc. of Florida

LOC#:



#### ADDITIONAL REMARKS SCHEDULE Page \_ of

|   |                  |                                      | - 377 |
|---|------------------|--------------------------------------|-------|
| AGENCY  |                  | NAMED INSURED                        |       |
| Aon Risk Services, Inc of Florida                 |                  | Driftwood Hospitality Management LLC |       |
| POLICYNUMBER See Certificate number: 570111550512 |                  |                                      |       |
| CARRIER   | NAIC CODE        |                                      |       |
| See Certificate Number: 570111550512              | . 2000 I 2004 PM | EFFECTIVE DATE:                      |       |
| ADDITIONAL REMARKS                                |                  |                                      |       |

| THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM, |          |             |                                    |  |  |  |  |
|---|----------|-------------|------------------------------------|--|--|--|--|
| FORM NUMBER:  | ACORD 25 | FORM TITLE: | Certificate of Liability Insurance |  |  |  |  |

| INSURER(S) AFFORDING COVERAGE | NAIC# |
|-------------------------------|-------|
| INSURER                       |       |
| INSURER                       |       |
| INSURER                       |       |
| INSURER                       |       |

If a policy below does not include limit information, refer to the corresponding policy on the ACORD ADDITIONAL POLICIES certificate form for policy limits.

| INSR<br>LTR | TYPE OF INSURANCE                           | ADDI.<br>INSD | SUBR<br>WVD | POLICY NUMBER  | POLICY<br>EFFECTIVE<br>DATE<br>(MM/DD/YYYY) | POLICY<br>EXPIRATION<br>DATE<br>(MM/DD/YYYY) | Lin                     | ITS         |
|-------------|---|---------------|-------------|--|---|--|-------------------------|-------------|
|             | OTHER                                       |               |             |  |   |  |                         |             |
| В           | Employment Practices<br>Liability - Primary |               |             | MKLM1MML001712<br>Claims Made<br>SIR applies per policy te |   | 03/19/2026<br>ons                            | Limit per<br>Occurrence | \$3,000,000 |
|             |   |               |             |  |   |  | SIR                     | \$100,000   |
|             |   |               |             |  |   |  |                         |             |
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## ADDITIONAL REMARKS SCHEDULE Page \_ of \_

| AGENCY                               |           | NAMED INSURED                        |
|--------------------------------------|-----------|--------------------------------------|
| Aon Risk Services, Inc of Florida    |           | Driftwood Hospitality Management LLC |
| PÓLICY NUMBER                        |           |                                      |
| See Certificate Number: 570111550512 |           |                                      |
| CARRIER                              | NAIC CODE |                                      |
| See Certificate Number: 570111550512 |           | EFFECTIVE DATE:                      |

| age certificate Mumber: 370111330315  | C. COME SALE  |  |  |  |  |  |  |
|---|---|--|--|--|--|--|--|
| ADDITIONAL REMARKS  |   |  |  |  |  |  |  |
| THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,                                     |   |  |  |  |  |  |  |
| FORM NUMBER: ACORD 25 FORM TITLE: Certific  |   |  |  |  |  |  |  |
|   |   |  |  |  |  |  |  |
|   | Additional Information  |  |  |  |  |  |  |
|   | 388F8240101 - Policy Period: 12/1/24 - 12/1/25 - Beazley Excess<br>\$5,000,000 Aggregate/\$75,000 Retention             |  |  |  |  |  |  |
| Professional Liability (Claims Made): Policy<br>Nautilus Insurance Company - \$2,000,000 Each | y No. REA9081310-1024 - Policy Period: 10/9/24-10/9/25 -<br>h Claim/\$2,000,000 Aggregate/\$25,000 Deductible per Claim |  |  |  |  |  |  |
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#### ADDITIONAL REMARKS SCHEDULE

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| AGENCY                               |           | NAMED INSURED                        | Т |
|--------------------------------------|-----------|--------------------------------------|---|
| Aon Risk Services, Inc of Florida    |           | Driftwood Hospitality Management LLC |   |
| POLICY NUMBER                        |           | ]                                    |   |
| See Certificate Number: 570111550512 |           |                                      |   |
| CARRIER                              | NAIC CODE | 1                                    |   |
| See Certificate Number: 570111550512 |           | EFFECTIVE DATE                       |   |

#### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Additional Information

\*GL Policy Includes Crime for Guest Property (Innkeepers) \$100,000 Aggregate

\*Certified Acts of Terrorism is included

\*Garage Keepers Legal Liability Applies to specific locations on file with company: GKLL Limit \$500,000 \$2,500 Deductible Comp/Collision.

\*WC-applicable to all states except monopolistic states of: ND, OH, PR, WA, WY

Worldwide Jurisdiction is included.

Additional Insured form #OG184 edition 4/12, #CG2011 edition 12/19, #CG2026 edition 12/19, #CG2015 edition 12/19 and #OG218 edition 10/14 apply to the General Liability policy. Waiver of subrogation form #CG2404 edition 12/19 applies to the General Liability policy. Primary & Non-Contributory General Liability form #SIGL 0107 edition 01/24 applies to the General Liability policy.

Additional Insured form #SICA1016 edition 6/21 applies to the Automobile Liability policy. Waiver of subrogation form #SICA1020 edition 9/19 applies to the Automobile Liability policy. Primary and Noncontributory form #SICA1017 edition 9/19 applies to the Automobile policy.

Waiver of subrogation form #WC000313 edition 4/84 applies to the Workers Compensation policy.

Notice of Cancellation to Third Parties form #SIIL102 edition 10/14 applies to the General Liability policy.

Notice of Cancellation to Third Parties form #SIIL-100 edition 10/14 applies to the Automobile Liability policy.

Notice of Cancellation to Third Parties form #wC990618, #wC990605, #wC990605IL, #wC990605MD and #wC990605MO apply to the worker's Comp policy.

570000085154

LOC#:



#### ADDITIONAL REMARKS SCHEDULE

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| AGENÇY                               |           | NAMED INSURED                        |  |
|--------------------------------------|-----------|--------------------------------------|--|
| Aon Risk Services, Inc of Florida    |           | Driftwood Hospitality Management LLC |  |
| POLICY NUMBER                        |           |                                      |  |
| See Certificate Number: 570111550512 |           |                                      |  |
| CARRIER                              | NAIC CODE |                                      |  |
| See Certificate Number: 570111550512 | 1         | EFFECTIVE DATE:                      |  |

#### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Additional Information

The General Liability policy includes a blanket additional insured endorsement to the certificate holder only when there is a written contract between the named insured and the certificate holder that requires such status.

The General Liability policy contains an endorsement with "Primary and Non-Contributory" wording that may apply only when there is a written contract between the named insured and the certificate holder that requires such wording.

The General Liability policy contains a blanket waiver of subrogation endorsement that may apply only when there is a written contract between the named insured and the certificate holder that requires such wording.

The Automobile Liability policy contains language that provides additional insured status to the certificate holder only when there is a written contract between the named insured and the certificate holder that requires such status.

The Automobile liability policy includes waiver of subrogation wording that may apply only when there is a written contract between the named insured and the certificate holder that requires such wording.

The Automobile liability policy includes primary and noncontributory wording that may apply only when there is a written contract between the named insured and the certificate holder that requires such wording.

The Worker's Compensation policy includes a waiver of subrogation endorsement that may apply only when there is a written contract between the named insured and the certificate holder that requires such wording.

LOC#:



#### ADDITIONAL REMARKS SCHEDULE

Page \_ of \_

| AGENCY                               |                                      | NAMED INSURED   |
|--------------------------------------|--------------------------------------|-----------------|
| Aon Risk Services, Inc of Florida    | Driftwood Hospitality Management LLC |                 |
| POLICY NUMBER                        |                                      |                 |
| See Certificate Number: 570111550512 |                                      |                 |
| CARRIER                              | NAIC CODE                            |                 |
| See Certificate Number: 570111550512 |                                      | EFFECTIVE DATE: |

#### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Additional Information

The General Liability, Automobile Liability, Worker's Compensation policies includes a blanket notice of cancellation to the certificate holder endorsement, providing for 30 days advance written notice if the policy is canceled by the company, or 10 days written notice before the policy is canceled for nonpayment of premium. Notice is sent to certificate holders with mailing addresses on file with the agent or the company. The endorsement does not provide for notice of cancellation to the certificate holder if the named insured requests cancellation.

# SELLER / SERVER CERTIFICATION Illinois BASSET

Trainee Name: Mark Schalla

Certificate #: 000033094732

360training.com dba Learn2Serve

School Name:

Date of Completion: 03/19/2024

This course provides necessary knowledge and techniques for the responsible serving of alcohol.

certify that the above named person successfully completed an approved

Learn2Serve Seller/Server course.

This is your temporary certificate of completion. You will receive your official card in the mail. Please forward all questions to support@360training.com.



5504 Bridge Point Parkway, Suite 100

Corporate Headquarters

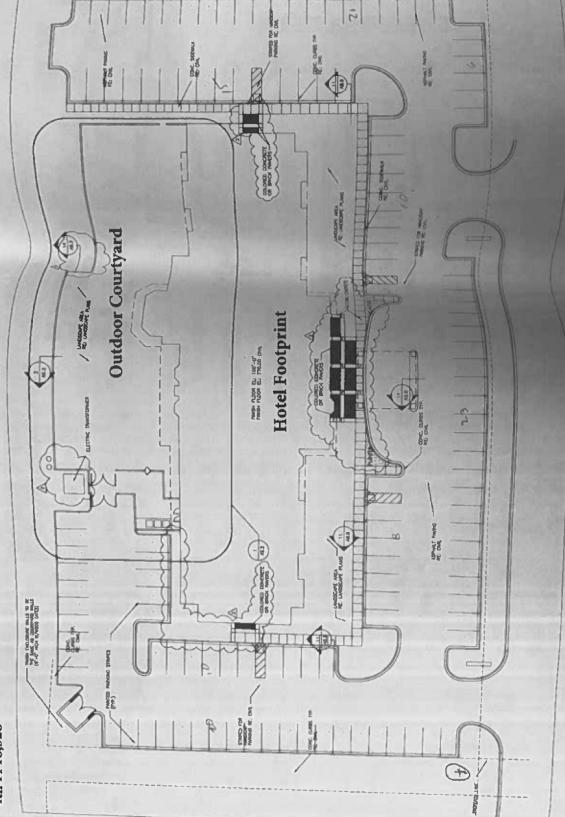
Austin, TX 78730

Mark Anderson

뒫

SITE PLAN

COURTYARD by MAR 121 UNITS-4 STORY ST. CHARLES/CHICAGO 700 COURTYARD DRIVE ST. CHARLES IL 60174 ST. CHARLES IL 60174 TTOMBAM



Square Footage: 2nd Fl 16.246 3rd Fl 16,326 1st Fl 17,776 4th Fl 16,326

BUILDING SITE PLAN & PARKING

#### MANAGEMENT AGREEMENT

by and between

# DRIFTWOOD SPECIAL SERVICING, LLC, a Delaware limited liability company

as "MANAGER"

and

MS 700 COURTYARD DR, LLC, a Delaware limited liability company

as "OWNER"

Dated as of March 12, 2025

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#### MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT ("Agreement") is executed as of the 27th day of February, 2025 ("Effective Date"), by MS 700 COURTYARD DR, LLC, a Delaware limited liability company, with a mailing address at c/o Mount Street US (Georgia) LLP, a Georgia limited liability partnership, 5910 N. Central Expressway, Suite 1600, Dallas, Texas 75206, Attn: Hugh Wall ("Owner"), and DRIFTWOOD SPECIAL SERVICING, LLC, a Delaware limited liability company, with a mailing address at 11770 U.S. Highway One (East Tower), Suite 202, North Palm Beach, Florida 33408 ("Manager").

#### RECITALS:

- A. Manager is experienced in the management and operation of hotels, directly and through Affiliates; and
- B. Owner is the record or beneficial owner of and has authority to contract for supervisory management services for the hotel known as Marriott Courtyard Chicago containing 121 Guest Rooms plus other amenities, located at 700 Courtyard Drive, St. Charles, IL 60174, being further described on Exhibit A hereto (such hotel complex; including all real and personal property including all FF&E and Fixed Asset Supplies, the "Property"); and
- C. Owner desires to engage Manager to manage and operate the Property for the account of Owner, and Manager desires to accept such engagement upon the terms and conditions set forth in this Agreement.
- NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, Owner and Manager agree as follows:

#### ARTICLE I DEFINITION OF TERMS

- 1.01 <u>Definition of Terms</u>. The following terms when used in the Agreement shall have the meanings indicated.
  - "Accounting Period" a calendar month.
- "Affiliates" (or "Affiliate") shall mean any "Person" (as defined below) that directly or indirectly controls, is controlled by or under common control with, the Person in question. "Control" means the possession directly or indirectly of the power to direct, or cause the direction of, the management and policies of a Person, whether through ownership of voting securities or interests, by contract or otherwise.
- "Agreement" shall mean this Management Agreement between Owner and Manager, including the exhibits and schedules attached hereto.

"Base Management Fee" shall mean an amount payable to Manager for its services performed hereunder. The Base Management Fee shall be equal to the greater of two and three quarters percent (2.75%) of Gross Revenues or \$5,000 per month.

"Building Estimate" shall have the meaning ascribed to it in Section 6.03A.

"Default" shall have the meaning ascribed to it in Section 10.01.

"<u>Distributable Amounts</u>" shall mean, with respect to any given period of time, the excess of Gross Revenues over Operating Expense.

"Effective Date" shall have the meaning ascribed to it in the Preamble.

"Event of Default" shall have the meaning ascribed to it in Section 10.01.

"Existing License Agreement" shall mean any franchise or license agreement existing prior to the date of this Agreement permitting the Property to operate under a brand name as part of a chain of hotels.

"Existing Mortgage" shall mean any first mortgage recorded prior to the date of this Agreement.

"Expert" shall mean an independent, nationally recognized hotel consulting firm or individual who is qualified to resolve the issue in question, and who is appointed in each instance by agreement of the parties or, failing agreement, each party shall select one (1) such nationally recognized consulting firm or individual and the two (2) respective firms and/or individuals so selected shall select another such nationally recognized consulting firm or individual to be the Expert. Each party agrees that it shall not appoint an individual as an Expert hereunder if the individual is, as of the date of appointment or within two (2) years prior to such date, employed by such party, either directly or as a consultant, in connection with any other matter. In the event that either party calls for an Expert determination pursuant to the terms hereof, the parties shall have ten (10) days from the date of such request to agree upon an Expert and, if they fail to agree, each party shall have an additional ten (10) days to make its respective selection of a firm or individual, and within ten (10) days of such respective selections, the two (2) respective firms and/or individuals so selected shall select another such nationally recognized consulting firm or individual to be the Expert. If either party fails to make its respective selection of a firm or individual within the ten (10) day period provided for above, then the other party's selection shall be the Expert. Also, if the two (2) respective firms and/or individuals so selected shall fail to select a third nationally recognized consulting firm or individual to be the Expert, then such Expert shall be appointed by the American Arbitration Association and shall be a qualified person having at least ten (10) years recent professional experience as to the subject matter in question.

"FF&E" shall mean furniture, furnishings, fixtures, kitchen appliances, vehicles, carpeting and equipment, including front desk and back-of-the-house computer equipment, but shall not include Fixed Asset Supplies or any computer software of any type (including upgrades and replacements) owned by Manager, an Affiliate of Manager, or the licensor of any of them.

"Fiscal Year" shall mean Manager's Fiscal Year which as of the Effective Date ends at midnight on December 31 in each calendar year; the new Fiscal Year begins on January 1. Any partial Fiscal Year between the Effective Date and the commencement of the first full Fiscal Year shall constitute a separate Fiscal Year. A partial Fiscal Year between the end of the last full Fiscal Year and the Termination shall also constitute a separate Fiscal Year. If Manager's Fiscal Year is changed in the future, appropriate adjustment to this Agreement's reporting and accounting procedures shall be made.

"Fixed Asset Supplies" shall mean items included within "Property and Equipment" under the Uniform System of Accounts including, but not limited to, linen, china, glassware, tableware, uniforms, and similar items, whether used in connection with public space or Guest Rooms.

"Gross Revenues" shall mean all revenues and receipts of every kind derived from operating the Property and all departments and parts thereof, including, but not limited to: income (from both cash and credit transactions) from rental of Guest Rooms, telephone charges, stores, offices, exhibit or sales space of every kind; license, lease and concession fees and rentals (not including gross receipts of licensees, lessees and concessionaires); income from vending machines; income from parking; health club membership fees; food and beverage sales; wholesale and retail sales of merchandise; service charges; and proceeds, if any, from business interruption or other loss of income insurance; provided, however, that Gross Revenues shall not include the following: gratuities to employees of the Property; federal, state or municipal excise, sales or use taxes or any other taxes collected directly from patrons or guests or included as part of the sales price of any goods or services; proceeds from the sale of FF&E; interest received or accrued with respect to the funds in any reserve or the other operating accounts of the Property; any refunds, rebates, discounts and credits of a similar nature, given, paid or returned in the course of obtaining Gross Revenues or components thereof; insurance proceeds (other than proceeds from business interruption or other loss of income insurance; condemnation proceeds (other than for a temporary taking); or any proceeds from any sale of the Property or from the refinancing of any debt encumbering the Property.

"Guest Room" shall mean a separately keyed lodging unit in the Property.

"Impositions" shall have the meaning ascribed to it in Section 8.01.

"Inventories" shall mean "Inventories" as defined in the Uniform System of Accounts, such as, but not limited to, provisions in storerooms, refrigerators, pantries and kitchens; beverages in wine cellars and bars; other merchandise intended for sale; fuel; mechanical supplies; stationery; and other expensed supplies and similar items.

"<u>License Agreement</u>" shall mean the Existing License Agreement or any replacement franchise or license agreement permitting the Property to operate under a brand name as part of a chain of hotels, which replacement agreement has been entered into after date hereof approved by both Owner and Manager.

"Management Commencement Date" means the date upon which Manager shall commence operating the Property pursuant to this Agreement. The Management Commencement Date is expected to be March 12, 2025.

"Manager" shall have the meaning ascribed to it in the Preamble hereto or shall mean any successor or permitted assign, as applicable.

"Mortgage" shall mean the Existing Mortgage, if any, and any other subsequent mortgage, deed of trust, or security document customarily in use in Florida which encumbers the Property.

"Mortgagee" shall mean the holder of any Mortgage encumbering the Property.

"Operating Expense" shall mean the following expenses incurred by Manager, on behalf of Owner, in operating the Property: the cost of sales, including, without limitation, compensation, fringe benefits and related administrative costs, payroll taxes, ERISA-related liabilities, pension fund withdrawal liabilities and other costs related to Property employees (the foregoing costs shall not include salaries and other employee costs of executive personnel of Manager who do not work at the Property on a regular basis except that the foregoing costs shall include the allocable portion of the salary and other employee costs of any general manager or other supervisory personnel assigned to a "cluster" of hotels which includes the Property); departmental expenses incurred at departments within the Property; administrative and general expenses; the cost of marketing, advertising and business promotion; heat, light, and power; computer line charges; and routine repairs, maintenance and minor alternations treated as an Operating Expense under Section 6.01; the cost of Inventories and Fixed Asset Supplies consumed in the operation of the Property; Owner approved charge offs for uncollectible accounts receivable; all costs and fees of independent professionals or other third parties who are retained by Manager to perform services required or permitted hereunder; cost of certified third party audits requested by Owner; all costs and fees of technical consultants and operational experts who are retained or employed by Manager and/or Affiliates of the Manager for specialized services (including, without limitation, quality assurance inspectors, personnel providing architectural, technical or procurement services for the Property, tax consultant, and personnel; providing legal services in connection with matters directly involving the Property) and the cost of attendance by employees of the Property at training and manpower development programs required by Manager; reasonable cost of travel by Manager's employees or agents to and from the Property including travel in connection with off-site meetings required by Owner or in connection with training required under the License Agreement (provided that travel for Manager's employees or agents who reside in Florida should be reasonably necessary in connection with business directly relating to the Property); the Base Management Fee; liability and operational insurance costs and expenses as provided in Section 7.01; taxes, if any, payable by or assessed against Manager related to this Agreement or to Manager's operation of the Property (exclusive of Manager's income taxes); real estate and personal property taxes; all Impositions; all fees and costs paid to licensor pursuant to any License Agreement; costs and expenses of compliance by Manager with applicable legal requirements pertaining to the operation of the Property; the Property's pro rata share of costs and expenses incurred in connection with providing shared or centralized services "Centralized Services" to multiple hotels in substitution for or in connection with services that are or would have been performed by or procured by individual hotels, which services may be more effectively performed on a group or "clustered" basis. The cost of Centralized Services shall consist of the actual cost of the services without mark-up or profit to Manager or any Affiliates. Centralized Services and the Property's portion of the cost thereof shall be subject to change from time to time. The list of current Centralized Services, hotel benefits, cost estimates, and basis for allocating such costs is set forth on Exhibit D attached hereto; such other costs and expenses incurred by Manager as are specifically provided for elsewhere in this Agreement or are otherwise reasonably necessary for the proper and efficient operation of the Property, all subject to and in accordance with the then current Property Budget.

The term "Operating Expense" shall not include (a) debt service payments pursuant to any mortgage financing on the Property, (b) payments pursuant to equipment leases or other forms of financing obtained for the FF&E located in or connected with the Property, (c) rental payments pursuant to any ground lease of the Property; (d) property insurance costs; (e) intentionally deleted; or (f) depreciation on the Property or its contents. Though not classified as an "Operating Expense", the items (a)-(e) listed in this paragraph shall be paid by Manager on Owner's behalf from funds available for such purpose under Section 4.01C or from separate funds provided by Owner. Notwithstanding anything to the contrary in this Agreement, the following expenses or costs incurred by or on behalf of Manager in connection with the Property will be at the sole cost and expense of Manager and except to the extent included in the approved Property Budget, will not be reimbursed by Owner as Operating Expenses or otherwise: Cost of salary and wages, payroll taxes, insurance, worker's compensation and other benefits of Manager's management, accounting and officer personnel not reimbursable under Section 2.04; General accounting and reporting services which are within the scope of Manager's responsibilities to Owner under this Agreement (but the accounting fee described in Section 5.05 shall be due and payable as provided therein); Cost of forms, papers, ledgers, and other supplies, equipment, copying and telephone of any kind used in Manager's office at any location other than the Property; Political or charitable contributions; Cost of advances made to employees; Cost of comprehensive crime insurance or fidelity bonds purchased by Manager for its own account; Training expenses except for on-site employees; Employment and employment agency fees except for on-site employees; Advertising expenses of Manager not directly related to the Property; and Dues of Manager or any of its employees in professional organizations or the cost of any of Manager's employees participating in industry conventions, meetings or other functions except in connection with the promotion of the Property and included in the approved Property Budget.

"Operating Loss" shall mean a negative Operating Profit.

"Operating Profit" shall mean the amount, if any, by which Gross Revenues for any period exceed Operating Expenses for the same period.

"Owner" shall have the meaning ascribed to it in the Preamble or shall mean any successor or permitted assign, as applicable.

"Person" shall mean any individual, partnership, firm, limited liability company, corporation, joint-stock company, a governmental unit, trust or other entity.

"Prime Rate" shall mean the "Prime Rate" of interest announced from time to time in the "Money Rates" section of the Wall Street Journal (Eastern Edition) or, if no longer published by the Wall Street Journal, a comparable index published for loans in the United States.

"Property" shall have the meaning ascribed to it in Section B of the Recitals.

"Property Budget" shall have the meaning ascribed to it in Section 5.04.

"Subordination Agreement" shall have the meaning ascribed to it in Section 9.03.

"Term" shall have the meaning ascribed to it in Section 3.01.

"Termination" shall mean the expiration or sooner cessation of this Agreement.

"Uniform System of Accounts" shall mean the Uniform System of Accounts for the Lodging Industry, Eleventh Revised Edition, 2014, as revised and adopted by the Educational Institute of the American Hotel and Motel Association, from time to time and as modified by applicable provisions of this Agreement.

"WARN Act" shall mean the "Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq.

"Working Capital" shall mean funds which are reasonably necessary for the day-to-day operation of the business of the Property, including, without limitation, amounts sufficient for the maintenance of change and petty cash funds, operating bank accounts, receivables, payrolls, prepaid expenses and funds required to maintain Inventories, less accounts payable and accrued current liabilities.

Other terms are defined in the Recitations and the further provisions of this Agreement and shall have the respective meanings there ascribed to them.

## ARTICLE II APPOINTMENT OF MANAGER

- 2.01 <u>Appointment</u>. Owner hereby appoints and employs Manager to supervise, direct and control the management and operation of the Property throughout the Term. Manager accepts said appointment and agrees to manage the Property during the Term in accordance with the terms and conditions of this Agreement.
- 2.02 <u>Management of the Property</u>. Provided Owner has complied with the terms of this Agreement, including adhering to the funding requirements contemplated by the Property Budget, Manager shall manage the Property in a professional manner at a standard of service and facilities consistent with the terms of the License Agreement and which will be competitive with current hotels which compete with the Property for customers in its market area. Beginning on the Management Commencement Date, Manager shall, in connection with the Property, perform each of the following functions:
- A. have available to Owner the services of the Property's general manager and regional manager to consult with Owner, at Owner's reasonable request, concerning (i) all policies and procedures affecting the conduct of the business of the Property, and to give due consideration to all suggestions with respect thereto made by Owner, however Owner shall not directly supervise employees at the Property and direct supervision of employees by Owner shall be considered a material breach of this Agreement; and (ii) the review of plans and specifications for capital improvements, additions, replacements, or repairs to the Property, or its furniture, fixtures, and equipment;
- B. operate and manage the Property in compliance with the rules, regulations, and requirements of any License Agreement for the Property which are within the scope of

Manager's services hereunder and with the goal of achieving long-term profitability for the Property;

- (a) comply, at Owner's expense, with all statutes, ordinances, laws, rules, C. regulations, orders, and requirements affecting or issued in connection with the Property by any federal, state or local government having jurisdiction over the Property, as well as with orders and requirements of any board of fire underwriters or any other body which may exercise similar functions so long as Owner promptly delivers to Manager any notice of violation thereof received by Owner and Owner makes available to Manager the necessary funds to comply with same. In the event: (i) of an emergency or; (ii) the failure to promptly comply with any order or to cure any violation shall expose Owner or Manager to the imminent danger of criminal liability (other than payments of fines), then in such event, Manager shall cause such order or violation to be complied with or cured without awaiting Owner's written consent; provided, however, Manager shall promptly notify Owner of the aforesaid. (b) Unless otherwise directed by Owner, Manager shall, at Owner's expense, protest or litigate to final decision in any appropriate court or forum any violation, order, rule, or regulation affecting the Property, provided that Manager, at its discretion, may settle or compromise claims of less than twenty-five thousand dollars (\$25,000), said dollar amount to be adjusted as of the beginning of each Fiscal Year by the CPI Index;
- D. obtain and keep in full force and effect, either in its own name on behalf of Owner or in Owner's name, as may be required by applicable law, any and all licenses and permits to the extent same is within the control of Manager (or, if same is not within the control of Manager, Manager-shall-use all due diligence and reasonable efforts to obtain and keep same in full force and effect);
  - E. promote, market and advertise the Property;
- F. collect all charges, rents, and other amounts due from patrons of the Property and tenants thereof;
- G. determine in accordance with customary industry standards, the requirements of the License Agreement and applicable law, all terms for admittance and charges for rooms, food and beverage, entertainment, commercial space, and other amenities within the Property;
- H. determine, in accordance with customary industry standards all credit policies with respect to the operation of the Property, including entering into policies and agreements with credit card organizations;
- I. subject to Owner's prior written approval, lease any commercial or retail space at the Property which shall be vacant from time to time to desirable tenants;
- J. hire, pay, supervise, and discharge all personnel working at the Property, all of whom shall be the employees of Manager or leased by Manager. Owner shall have no right to supervise and direct any such Property employees, and it shall be considered a material breach of the agreement should Owner supervise or give direction to Manager's employees. Manager shall determine all labor policies, including wage and salary rates and terms, fringe benefits, pension,

retirement, bonus, and employee benefit plans and collective bargaining agreements for such employees;

- K. enter into contracts in the name of and at the expense of Owner for the furnishing to the Property of electricity, gas, water, telephone, security, cleaning (including window cleaning), trash removal, vermin and pest exterminators, elevator and boiler maintenance, air conditioning maintenance, master television antennas and cable, and other necessary or desirable utilities and services, provided that any contract having a term that exceeds one (1) year unless terminable on thirty (30) days' notice shall require Owner's prior written approval;
- L. purchase all Fixed Asset Supplies, Inventories and all necessary or desirable additions and replacements thereof and other materials necessary or desirable for the proper operation of the Property;
- M. cause all needed repairs and maintenance to the Property to be made in accordance with Article VI.
- N. advise Owner from time to time as to the necessity or desirability of capital improvements, additions, upgrades, or repairs to the Property and its FF&E;
- O. promptly notify Owner of any fire or other material casualty loss at the Property and cooperate with Owner and its insurance carriers with respect to insurance claims and the adjustment thereof;
- P. unless otherwise directed by Owner, institute and defend such proceedings at law or in equity in the name of either Manager or Owner, utilizing counsel selected by Manager and approved by Owner, which Manager shall deem reasonably necessary or proper in connection with the routine operation of the Property, including the institution of dispossessory eviction, and trespass suits and proceedings for the collection of rents and other amounts due for services rendered, property let or merchandise sold;
- Q. disburse, on behalf of Owner (subject to the availability of funds) all amounts due for taxes, casualty insurance, mortgage payments, lease payments, or other items of expense which are not an Operating Expense;
- R. maintain or cause to be maintained a security program for the Property consistent with the security standards of similar hotels in the geographic area of the Property. Manager shall promptly notify Owner of any incidents or conditions which reflect on or affect the adequacy of the security provisions for the Property, and shall make recommendations to Owner with respect to security matters; and
- S. perform such other specific functions as are contained in other sections of this Agreement.

#### 2.03 Employees.

A. Manager shall have the sole right to hire, promote, discharge, and supervise the work of the executive staff, including the general manager, assistant managers, and department

heads; provided, however, that Manager shall consult with Owner with respect to the hiring, relocation, or replacement of the general manager.

- B. Through such executive staff, Manager shall supervise the hiring, promotion, discharge, and work of all other operating and service employees performing such services in or about the Property. Manager or a leasing company shall be the employer of record of all such Property employees. The cost and expense of all Property employees shall be an Operating Expense. Manager shall be responsible for the hiring discharge, and supervision of Property employees so as to maintain a staff of qualified, competent, and trustworthy employees.
- C. All reasonable salaries, wages and other compensation of personnel employed by Manager hereunder, including medical and health insurance, pension plans, social security taxes, worker's compensation insurance and any other such items, shall be reimbursable expenses of Manager.
- D. Manager shall procure and maintain reasonable and customary workers' compensation insurance and other such insurance as required by law, at the expense of Owner, covering all of the Property's employees. Owner shall also be responsible for payment of any salary or benefits to the Property's employees to which they may be entitled by law if Owner closes (or is deemed to have closed) the Property and triggers liability under the "Worker Adjustment and Retraining Notification Act," 29 U.S.C. 2101 et seq., or any applicable federal or state plant closing act.
- Manager whose principal place of employment is not at the Property and who are staying at the Property on business directly relating to the Property free room, meals, telephone, and other directly related business expenses for the Property during their stay to the extent Guest Rooms are available and provided that such travel is consistent with Manager's policies governing travel by its employees and the applicable Property Budget. Further, without the prior written consent of Owner, in no event shall the cost of daily meals and other related services provided to each such employee staying at the Property exceed \$125 in the aggregate per day. No Person shall otherwise be given gratuitous accommodations or services without prior joint approval of Owner and Manager.
- F. Manager shall comply with all applicable laws, rule, regulations and orders relating to worker's compensation, social security, unemployment insurance, wages, hours, working conditions and other matters pertaining to Manager's personnel.
- 2.04 Owner's Right to Inspect. Owner and its agents shall have access to the Property at any and all reasonable times for the purpose of inspection or showing the Property to prospective purchasers, tenants or Mortgagees.

#### ARTICLE III TERM

3.01 <u>Term.</u> The Agreement shall commence upon the Effective Date and shall continue automatically on a month-to-month basis (the "Term"), unless written notice of non-renewal is given by Owner or Manager to the other at least thirty (30) days prior to the expressed termination

date. In the event of any such termination under this Section 3.01, the provisions of Section 12.08 shall apply. For the avoidance of doubt, the notice and timing requirements for Termination set forth in Article X shall apply with respect to Events of Default.

3.02 <u>Closing Liabilities</u>. In the event of a termination pursuant to any of the provisions of this Agreement, Owner shall take all commercially reasonable steps to prevent the triggering of liability under the WARN Act or other federal or state plant closing statutes, including, to the extent commercially practicable, the postponement of the effective date of transition.

#### ARTICLE IV COMPENSATION

- 4.01 <u>Management Fee</u>. In consideration of services to be performed during the Term of this Agreement, Manager shall be paid the sum of the following as its management fees:
- A. Base Management Fee. In addition to the accounting cost recovery expense paid pursuant to Section 5.05, during each Fiscal Year (and for a fraction of any partial Fiscal Year), Manager will be paid the Base Management Fee. The Base Management Fee will be paid in monthly installments by deducting such fee from Gross Revenues at the rate equal to the greater of two and three quarters percent (2.75%) of Gross Revenues or \$5,000 per month for the preceding Accounting Period. At the end of each Fiscal Year following the annual audit, an adjustment will be made, if necessary, and all sums due either Manager or Owner shall be paid immediately. Payment of the Base Management Fee to Manager shall be paid in such priority as specified in Section 4.01C herein.
- B. Construction Management or Procurement Services. In addition to the Base Management Fee, Manager (or one of its Affiliates) shall be paid service fees for construction management services as set forth on Schedule I attached hereto (unless otherwise agreed to by Manager and Owner for a particular project) as well as service fees for procurement services for the Property if Owner requests such services of Manager, or any other services beyond the scope of services to be provided pursuant to this Agreement, provided Owner first approves of the engagement of the Manager or its Affiliate to provide such services and the fee for such services, and provided that the relationship between the service provider and the Manager is fully disclosed to Owner at such time and any such arrangement is on arm's-length, fair market terms. Construction management services include renovation coordination, design review, and related services. Procurement services relate to purchase and installation of FF&E and operating equipment of the Property. Manager shall be permitted to purchase goods or services from Manager's national vendors so long as any such arrangement is on arm's-length, fair market terms.
- C. <u>Distributions of Revenue</u>. Gross Revenues of the Property shall be distributed in accordance to the sole discretion of Owner; provided, however, the following order of priority is first satisfied: (i) Operating Expenses; (ii) real estate and personal property taxes; (iii) property insurance; and (iv) the remaining balance, subject to Section 5.06 of this Agreement, shall be distributed to Owner on or before the tenth day of every month.

## ARTICLE V ACCOUNTING, BOOKKEEPING AND BANK ACCOUNTS

5.01 Accounting, Interim Payment and Annual Reconciliation. Within twenty (20) days after the close of each Accounting Period, Manager shall deliver an interim accounting (which shall include a profit and loss statement, a general ledger, accounts receivable, accounts payable and balance sheet) to Owner showing Gross Revenues, Operating Expense, Distributable Amounts and applications and distributions thereof.

All drafts and final versions of operating budgets, operating reports, and all other financial information (including balance sheets, monthly and annual income statements, monthly and annual budget comparison/variance statements, and bank reconciliation reports) prepared by Manager as required by this Agreement shall be prepared and delivered electronically to Owner in a format substantially similar to those set forth in the Property Management Reporting Package attached hereto as Exhibit C (the "Property Management Reporting Package")

Calculations and payments of the Base Management Fee and distributions of Distributable Amounts made with respect to each Accounting Period within a Fiscal Year shall be accounted for cumulatively. Within sixty (60) days after the end of each Fiscal Year, Manager shall deliver to Owner a statement in reasonable detail summarizing the operations of the Property for the immediately preceding Fiscal Year and a certificate of Manager's chief accounting officer certifying that such year-end statement is true and correct. The parties shall, within ten (10) business days after Owner's receipt of such statement, make any adjustments, by cash payment, in the amounts paid or retained for such Fiscal Year as are needed because of the final figures set forth in such statement. Such final accounting shall be controlling over the interim accountings. To the extent there is an Operating Loss for any Accounting Period, it shall be Owner's responsibility to provide additional funds, if needed, for the operation of the Property provided that such amounts are reflected in, or consistent with the funding requirements of, the Property Budget.

5.02 <u>Books and Records</u>. Books of control and account pertaining to operations at the Property shall be kept on the accrual basis and in all material respects in accordance with the Uniform System of Accounts, with the exceptions provided in the Agreement. Owner may at reasonable intervals during Manager's normal business hours examine such records. Owner may, at any time and at its own expense, audit, examine, or review the annual operating statement which is described in Section 5.01A. If any audit by Owner discloses an understatement of any amounts due Owner, Manager shall promptly pay Owner such amounts found to be due and reimburse Owner for the expense of the audit in the event Distributable Amounts have been understated by five percent (5%) or more.

#### 5.03 Accounts, Expenditures.

A. All escrow reserve accounts and funds derived from operation of the Property shall be deposited by Manager in a bank account(s) in a bank designated by Owner. Withdrawals from said accounts shall be made solely by representatives of Manager whose signatures have been authorized. Reasonable petty cash funds shall be maintained at the Property.

- B. All payments made by Manager hereunder shall be made from authorized bank accounts, petty cash funds, or from Working Capital. Manager shall not be required to make any advance or payment to or for the account of Owner except out of such funds, and Manager shall not be obligated to incur any liability or obligation for Owner's account without assurances satisfactory to Manager that necessary funds for the discharge thereof will be provided by Owner.
- C. All money will be held in bank account under the Owner's name with signatories from Manager able to access the accounts for the Property Operations.

#### 5.04 Property Budget.

- A. <u>Contents of Plan</u>. Manager shall submit to Owner for the Owner's approval a Property Budget, at least sixty (60) days prior to the end of each Fiscal Year. The Property Budget shall include:
  - (1) Manager's reasonable estimate of itemized Gross Revenues and Operating Expense for the next Fiscal Year, together with the assumptions, in narrative form, which formed the basis of such schedules.
  - (2) a separate estimate of the Manager's fees to be paid for the next Fiscal Year.
  - (3) a budget, in reasonable detail, for all proposed expenditures for alterations, replacements, additions, and improvements to the Property of a capital nature to include FF&E.
  - (4) a narrative description of the program for marketing and advertising the Property for the next operating year containing a detailed budget itemization of the proposed marketing and advertising expenditures by category and the assumptions, in parrative form, forming the basis of such budget itemization.
  - (5) a narrative description for the Property analyzing both demand and supply elements affecting the Property's competitive position.

The proposed budget estimates shall be presented on the form of pro forma operating statement attached hereto and made part hereof as Exhibit B, which together with the items indicated in Section 5.04A herein are collectively hereinafter referred to as the "Property Budget." Owner acknowledges that the expenditures described in the Property Budget are only projections of the expenditures required to operate the Property to the standard provided herein based upon the projected occupancy for the Fiscal Year for which such Property Budget is prepared. The adequacy of any proposed Property Budget may be affected by changes in financial, economic, market, legal, insurance or other conditions or circumstances affecting the Property. The purpose of the adoption of the Property Budget is to provide a plan for the operation of the Property for the Fiscal Year to which the Property Budget relates. The adoption of a Property Budget does not constitute a guarantee of operating results, and Manager shall not be responsible or liable in any way whatsoever for any losses or deficiencies which may result from the operation of the Property except as otherwise provided herein.

- B. Owner's Approval. The Property Budget shall be presented for approval by Owner sixty (60) days prior to the beginning of the Fiscal Year. If after sixty (60) days Owner and Manager have not completed a comprehensive approval of the Property Budget as presented, the Property Budget shall be implemented as presented, except for such line item(s) which is/are not approved. The disputed line item shall be adjusted by increasing the prior year's amount by three percent (3%) until Owner and Manager may agree on the line item(s) being disputed.
- C. <u>Manager's Compliance</u>. Manager shall use its reasonably commercial efforts to comply with the Property Budget, once approved, and shall not deviate substantially therefrom, without the prior consent in writing of Owner except in the event of an emergency concerning life-safety issues.
- Accounting Department and Accounting Cost. Manager shall establish and supervise an accounting department with appropriate hotel accounting and cost control systems and personnel, to be maintained at the Property and/or at Manager's office in North Palm Beach, Florida, or any such other place as the Manager shall maintain its general offices. Manager shall cause the preparation and timely filing of all necessary reports with respect to withholding taxes, social security taxes, unemployment insurance, disability insurance, and all other statements and reports pertaining to labor employment. Manager shall establish and supervise all bookkeeping, accounting, and clerical services and, for the fee provided in the Property Budget, will prepare the payroll checks. All personnel at the Property engaged in such bookkeeping, accounting, and clerical services shall be Manager's employees. Manager shall, in addition to any management fees paid hereunder, receive One Thousand Five Hundred Dollars (\$1,500) per month for accounting services provided, said dollar amount to be adjusted as of the beginning of each Fiscal Year by the CPI Index (the "Accounting Fee"). Any costs of maintaining the off premises central accounting department shall be borne by Manager. Owner shall continue to pay Manager the Accounting Fee for such period of time following the Termination Date that Owner continues to utilize Manager's accounting services.
- 5.06 Working Capital. On or before the Management Commencement Date, Owner shall provide funds of no less than \$60,500 as Working Capital and Owner shall provide adequate levels of Working Capital if needed thereafter to the extent such amounts are reflected in, or consistent with the funding requirements of, the Property Budget. All funds so advanced for Working Capital shall be used by Manager on behalf of Owner for the purposes of this Agreement. In the event Owner does not timely fund Working Capital in accordance with the terms hereof, Manager may choose to fund necessary expenditures to operate the property (i.e., payroll, utilities, etc.) Owner shall reimburse Manager within five (5) business days. Manager shall receive interest at the rate of one and one-half percent (1.0%) per month for any amounts not reimbursed to Manager within the five (5) day period after Manager advanced funds. Upon Termination, Owner shall, except as otherwise provided in this Agreement, retain any unused Working Capital.
- 5.07 <u>Fixed Asset Supplies</u>. Owner shall provide the initial Fixed Asset Supplies for the Property. The cost of Fixed Asset Supplies consumed in the operation of the Property shall constitute an Operating Expense. Fixed Asset Supplies shall remain the property of Owner throughout the Term and upon Termination.

#### ARTICLE VI REPAIRS, MAINTENANCE AND REPLACEMENTS

6.01 Repairs and Maintenance to Be Paid from Gross Revenue. Manager shall maintain the Property in good repair and condition and in conformity with applicable laws and regulations and shall make or cause to be made such routine maintenance, repairs and minor alterations as it determines are necessary for such purposes. The phrase "routine maintenance, repairs, and minor alterations" as used in this Section 6.01 shall include only those which are normally expensed under generally accepted accounting principles. The cost of such maintenance, repairs and alterations shall be paid from Gross Revenues and shall be treated as an Operating Expense in determining Operating Profit.

#### 6.02 Intentionally Deleted.

- 6.03 Major Repairs Alterations, Improvements, Renewals, and Replacements to Be Funded by Owner.
- Manager shall prepare an annual estimate (the "Building Estimate") of the expenses necessary for non-routine or major repairs, alterations, improvements, renewals and replacements (which repairs, alterations, improvements, renewals and replacements are not among those referred to in Section 6.01) to the Property including, without limitation, the structure, the exterior facade, the mechanical, electrical, heating, ventilating, air conditioning, plumbing or vertical transportation elements of the Property, and other non-routine repairs and maintenance to the Property. Manager shall submit the Building Estimate to Owner for its approval at the same time the Property Budget is submitted. Manager shall not make any expenditure for such purposes without the prior written consent of Owner. In the event of the receipt by Manager of a governmental order requiring repairs, alternations, improvements, renewals or replacements to the Property, or such are otherwise required for the continued safe and orderly operation of the Property, including the removal of hazardous materials in compliance with all environmental laws. Manager shall give Owner notice thereof within five (5) business days thereafter or sooner if circumstances reasonably warrant; Manager shall be authorized to take appropriate remedial action without receiving Owner's prior consent as follows: (i) in an emergency threatening the Property, its guests, invitees or employees; or (ii) if the continuation of the given condition will subject Manager and/or Owner to civil or criminal liability, and following written notice from Manager to Owner, Owner has either failed to remedy the situation or has failed to take appropriate legal action to stay the effectiveness of any such law, ordinance, regulation or order. Manager shall cooperate with Owner in the pursuit of any such action and shall have the right to participate therein.
- B. The cost of all repairs, alterations, improvements, renewals or replacements referred to in this Section 6.03 (including the expenses incurred by either Owner or Manager in connection with any civil or criminal proceeding described above) shall be borne solely by Owner.
- C. If Owner fails to approve and fund any proposed expenditures described in Section 6.03 within sixty (60) days after the submission to Owner of the request therefor, Manager shall have the option of terminating this Agreement upon six (6) months' written notice to Owner.

6.04 Ownership of Replacements. All repairs, alterations, improvements, renewals or replacements made pursuant to Article VI, and all amounts kept in any reserve account or other operating account, shall be the property of Owner.

### ARTICLE VII INSURANCE AND CASUALTY

#### 7.01 Insurance.

- A. <u>Insurance Coverages</u>. The following insurance with respect to the Property, to the extent such insurance is commercially available, shall be, subject to legal requirements, maintained throughout the Term. All insurance premiums and deductibles obtained pursuant to this Agreement shall be deemed Operating Expenses, except as otherwise specifically set forth below. Owner shall maintain, at Owner's expense, with companies and through brokers selected by Owner, insurance of such kinds and amounts as set forth in 7.01(B). If requested by Owner, Manager agrees to provide quotes for Manager's multi-unit policy relating to the insurance as described above.
- (1) In the event Owner wishes the insurance coverage with respect to the Property to be part of Manager's multi-unit policy, all premiums and deductibles of those policies shall be deemed Operating Expenses and thus be the responsibility of the Owner. If Manager's multi-unit policy is terminated or any coverage for the Property is excluded, Owner shall immediately procure insurance coverage from another source.
- (2) If the insurance coverage selected is part of Manager's multi-unit policy, then, in such event and upon request by Owner, Manager shall furnish Owner with a schedule setting forth the kinds and amounts of insurance in place in connection with the operation of the Property.
- (3) If the insurance coverage selected is part of Manager's multi-unit policy, the location will be automatically included in all such renewals upon expiration of the policy term. If the insurance coverage selected is maintained by Owner, then the Owner shall renew all policies upon their expiration and provide Manager with proof of coverages.
- (4) Owner may, at its option and with written notice to Manager, procure and maintain the insurance specified in Section 7.01(B), Paragraphs 8 through 13, with insurance companies reasonably acceptable to Manager, subject to the following: (i) all such policies of insurance shall be carried in the name of Owner, with Manager as a named insured; (ii) any property losses thereunder shall be payable to the respective parties as their interests may appear; and (iii) premiums for such insurance coverage shall be treated as Operating Expenses. Should Owner exercise its option to procure the insurance described in this subsection (4): (i) Owner hereby waives its rights of recovery from Manager and its Affiliates (and their respective directors, officers, shareholders, agents and employees) for loss or damage to the Property and any resultant

interruption of business for claims covered by insurance, provided that any such loss or damage to the Property and any resultant interruption of business are not caused by Manager's or Manager's Affiliate's gross negligence, willful misconduct, or fraudulent acts; and (ii) if Owner modifies its insurance program such that it reduces coverages, increases deductibles, and/or lowers limits of coverages, compared to the coverages described under Section 7.01(B) of this Agreement. Manager may, in its reasonable discretion, obtain contingent or supplemental insurance to ensure that Owner's coverage is comparable to that which is provided under Manager's insurance program, the cost of which shall be an Operating Expense.

- (5) All policies insuring against liability, damage to the Property or portions thereof or interruptions of business, rent or the like shall name, as the insured thereunder, as their respective interests may appear, Owner, Manager, the licensor, if any, and such other parties as may be required by the provisions of any mortgage, License Agreement, license, equipment lease or other agreement. All policies of hazard insurance shall include loss payment clauses in the form required by such mortgage, franchise, license, equipment lease or other agreement. All insurance shall be obtained at Owner's sole cost and expense. Certificates of all policies of insurance shall be delivered to the licensor or franchisor and the holder of any mortgage as the Owner shall direct.
- (6) Provided Manager or Owner shall procure and keep in force all of the procurable insurance required to be obtained pursuant to the foregoing provisions of this Section 7.01, neither Owner nor Manager shall assert against the other any claims for any losses, damages, liability or expenses (including attorneys' fees) incurred or sustained by either of them, to the extent that the same are covered by such insurance, on account of damage or injury to person or property arising out of the ownership, operation or maintenance of the Property; unless such acts or claims for any losses, damages, liability or expenses (including attorneys' fees) incurred or sustained by either are caused by the gross negligence, willful misconduct, or fraudulent acts of the other party. The parties agree that all policies of insurance to be procured by Manager or Owner shall permit the foregoing waiver.

#### B. Manager will maintain the following insurance as an Operating Expense:

(1) Worker's Compensation. This coverage is specifically with respect to onsite employees only of the Manager. Coverage shall include statutory workers compensation benefits in each state where the parties contemplate the performance of services under this agreement. Such insurance shall include the Employers Liability coverage part with limits of not less than \$1,000,000 each accident for bodily injury by accident and \$1,000,000 each employee and policy limit for bodily injury by disease. Owner is responsible to provide Workers' Compensation Insurance with employers' liability insurance for any employees employed by the Owner and not the Manager

- (2) Employment Practices Liability with a combined single limit of not less than One Million Dollars (\$1,000,000) for each occurrence, with an annual aggregate (where applicable) of Two Million Dollars (\$2,000,000).
- (3) Comprehensive crime (including Employee Dishonesty) insurance with terms acceptable to Owner or a fidelity bond acceptable to Owner \$1,000,000 in the aggregate.
- (\$1,000,000) each occurrence and Two Million Dollars (\$2,000,000) general aggregate covering liabilities for financial loss resulting or arising from breaches of security, damage, destruction or theft of data. Policy shall be endorsed providing coverage to the Owner as an additional insured.
- (5) Fiduciary Insurance covering claims the Manager is legally obligated to pay for Wrongful acts resulting from the administration of any employee benefit plans.
- (6) <u>Pollution or Environmental Liability Insurance</u>. Environmental/Pollution Legal Liability as required for the Property described in this agreement.
- (7) <u>Automobile Liability Insurance</u>. Automobile Liability Insurance for all owned, non-owned and hired vehicles, covering bodily injury, death and property damage with a minimum combined single coverage limit of \$1,000,000.
- (8) <u>Comprehensive Auto Insurance</u>. Coverage shall include auto physical damage covering all vehicles owned or leased by Owner or Manager on behalf of the Property, including any substitute replacement vehicles. Coverage shall include collision and all perils commonly covered under comprehensive coverages, including but not limited to theft, wind/hail, and flood. Owner and any Mortgagee of Owner will be included as an insured with respect to the Property operations only.
- (9) Property Insurance. Commercial Property Insurance with coverage on a special cause of loss form, insuring all real property including the Property, contents, fixtures, equipment, improvements and the betterments at full replacement cost. The Property policy shall include business interruption insurance in an amount necessary to cover losses sustained for a period of at least twelve (12) months and an extended indemnity period of ninety (90) days thereafter and include continued management fee payable to Operator as respects to this contract. Property insurance shall include coverage for terrorism, flood and earthquake if and to the extent required pursuant to Owner's Financing. Property coverage should include Boiler and Machinery or Equipment Breakdown coverage and increased ordinance and law coverage.

- written on an ISO occurrence form (or a substitute form providing equivalent coverage), with limits of liability of at least \$2,000,000 per occurrence and \$4,000,000 general aggregate. Coverage including but not limited to Innkeepers legal liability, premises-operations, broad form property damage, liability assumed under an insured contract, personal injury and advertising injury including coverage for libel, slander, defamation, wrongful entry, invasion of privacy, and terrorism. If alcoholic beverages are sold at the Property, Dram Shop/Liquor Liability Insurance shall also be provided with limits of not less than \$1,000,000 per occurrence. Operator will name the Owner and any Mortgagee of Owner as a Named Insured with respect to the Property only. The use of a combination of primary and umbrella/excess liability insurance policies shall be permitted in order to maintain the required limits of liability insurance.
- (11) Umbrella / Excess Liability Insurance. Commercial Umbrella Liability or Excess Liability Insurance with a minimum limit of Fifty Million Dollars \$50,000,000 per occurrence and aggregate. This policy should provide excess limits for the General Liability, Liquor Liability and Automobile Liability and be follow form or at least as broad in coverage, including terrorism. Owner and any Mortgagee of Owner will be included as an insured with respects to the Property.
- damage to any Improvements to real property during any period of construction at or on the Property or renovation or alteration of the Improvements to the extent that coverage is either not provided under the Commercial Property Insurance set forth above or the sublimit for such coverage under the Commercial Property Insurance is less than the completed value. Such Builders Risk or Course of Construction insurance shall be on an "all risks" basis, that does not exclude the perils of flood and earthquake if and to the extent required pursuant to Owner's Financing. The completed value form shall specify the estimated completed value of the Project at the end of construction.
- (13) Such other insurance in amounts as Manager and Owner, in their reasonable judgment, mutually deem advisable for protection against claims, liabilities and losses arising out of or connected with the operation of the Property.

General Requirements.

- (1) The minimum A.M. Best's rating of each insurer is A-VII.
- (2) Limits of liability specified herein can be satisfied by maintaining a combination of primary and umbrella/excess liability policies.
- (3) Manager will furnish Owner with certificates of insurance simultaneously with the execution of this Agreement and whenever coverage is renewed

or replaced, evidencing the aforesaid coverages, which will include provisions to the effect that Owner will be given at least 30 days' prior written notice of cancellation or non renewal of any of the aforesaid policies. Owner will be named as an additional insured or as loss payee as respects as applicable. All liability policies shall contain endorsements that (i) delete any employee exclusion on personal injury coverage, (ii) include employees as additional insureds and (iii) contain cross-liability, waiver of subrogation and such other provisions as Owner may reasonably require. Such insurance shall also include broad form contractual liability insurance insuring all of Owner's and Manager's indemnification obligations under this Agreement.

- (4) A lack of insurance coverage does not reduce or limit a party's obligation to indemnify the other party as set forth in the Agreement.
- (5) Insurance may be provided under blanket or master policies covering one or more other managed hotels. The portion of the premium for any blanket or master policies which is allocated to the Property as an Operating Expense shall be determined in an equitable manner and paid out of the Operating Account, or if the funds therein are insufficient, by Owner, upon demand therefore by Manager.
- (6) Insurance Proceeds. The proceeds of any insurance claim (other than proceeds payable to third parties under the terms of the applicable policy) shall be paid into the Operating Account to the extent of Owner's interest therein unless otherwise required by the terms of any loan agreements affecting the Property; subject, however, to the requirements of Owner's Financing. Manager shall have the right to pay for, or reimburse itself for, insurance required under this provision out of the Operating Account. Notwithstanding anything to the contrary set forth in this Agreement, Manager shall have no obligation to obtain or maintain any insurance set forth herein if funds are not made available to Manager or provided by Owner.
- 7.02 <u>Casualty</u>. In the event of any damage or loss to the Property by fire or other casualty, Manager shall act as follows:
- A. On behalf of Owner and at Owner's option, Manager shall promptly apply for the insurance covering such damage or loss with copy to Owner, and in Owner's name shall prosecute and negotiate for payment of such proceeds selecting counsel if necessary for such purpose, unless counsel is designated by Owner.
- B. Manager shall give written notice of any proposed settlement to Owner, shall settle such claim and, on behalf of Owner, collect the proceeds thereof; provided, that Owner's written consent, shall be required to validate the settlement of any claim.

#### ARTICLE VIII TAXES

8.01 Real Estate and Personal Property Taxes. Except as specifically set forth in this Section 8.01 below, all real estate and personal property taxes, levies, assessments and similar charges on or relating to the Property ("Impositions") during the Term shall be paid by Manager from Gross Revenues, before any fine, penalty, or interest is added thereto or lien placed upon the Property, unless payment thereof is in good faith being contested and enforcement thereof is stayed. Any such payments shall be an Operating Expense. Owner shall, within five (5) days after receipt, furnish Manager with copies of official tax bills and assessments which it may receive with respect to the Property. Either Owner or Manager (in which case Owner agrees to sign the required applications and otherwise cooperate with Manager in expediting the matter) may initiate proceedings to contest any negotiations or proceedings with respect to any Imposition, and all reasonable costs of any such contest shall be paid from Gross Revenues and shall be an Operating Expense. Manager shall, as part of its contest or negotiation of any Imposition, be entitled, on Owner's behalf upon Owner's prior written approval, to waive any applicable statute of limitations in order to avoid paying the Imposition during the pendency of any proceedings or negotiations with applicable authorities.

## ARTICLE IX OWNERSHIP OF THE PROPERTY

- 9.01 <u>Liens; Credit.</u> Manager and Owner shall use commercially reasonable efforts to prevent any liens from being filed against the Property which arise from any maintenance, repairs, alterations, improvements, renewals or replacements in or to the Property. They shall cooperate fully in obtaining the release of any such liens, and the cost thereof, if the lien was not occasioned by the fault of either party, shall be treated the same as the cost of the matter to which it relates. If the lien arises as a result of the fault of either party, then the party at fault shall bear the cost of obtaining the lien release. In no event shall either party borrow money in the name of or pledge the credit of the other.
- 9.02 Mortgages. Manager shall pay and discharge, on behalf of Owner and to the extent of available funds under Section 4.01, any and all payments due under any Mortgage that Owner has entered into with respect to the Property. Owner shall advise Manager of the existence and identity of all such Mortgages

#### 9.03 Subordination.

- A. Owner will obtain from any Mortgagee which holds a Mortgage as of the Effective Date (or thereafter) an instrument (the "Subordination Agreement"), reasonably satisfactory to Manager (such approval not to be unreasonably withheld) and such Mortgagee, which shall be recordable in the jurisdiction where the Property is located, pursuant to which:
- B. This Agreement and any extensions, renewals, replacements or modifications thereto, and all right and interest of Manager in and to the Property, shall be subject and subordinate to such Mortgage;

- C. Manager shall be obligated to each of the Subsequent Owners (as defined below) to perform all of the terms and conditions of this Agreement for the balance of the remaining Term hereof, with the same force and effect as if such Subsequent Owner were the Owner; and
- D. In the event that the Subordination Agreement contains provisions requiring Manager (upon a default under the Mortgage, or upon various other stipulated conditions) to pay certain amounts which are otherwise due to Owner under this Agreement to the Mortgagee or its designee (rather than to Owner), Owner hereby gives its consent to such provisions (provided that such provisions are reasonable and commercially standard for such agreements), which consent shall be deemed to be irrevocable until the entire debt secured by the Mortgage has been discharged.

#### 9.04 Amendments Requested by Mortgagee.

- A. If requested by any Mortgagee or prospective Mortgagee, Manager agrees to execute and deliver any amendment of this Agreement that is reasonably required by such Mortgagee or prospective Mortgagee, provided that Manager shall be under no obligation to amend this Agreement if the result of such amendment would be: (i) to reduce, defer or delay the amount of any payment to be made to Manager hereunder; (ii) to materially and adversely increase Manager's obligations or affect Manager's rights under this Agreement; (iii) to change the Term; (iv) to cause the Property to be operated other than pursuant to Manager's operating standards and the provisions hereof; or (v) to amend the provisions concerning the Building Estimate or insurance. Any such amendment shall be in effect only for the period of time in which such Mortgage is outstanding.
- B. Notwithstanding the provisions of Section 9.04A, if a Mortgagee or prospective Mortgagee requests that Manager enter into an amendment of this Agreement which would impose additional duties (for example, an increase in the reporting requirements or in the record-keeping requirements, or adding the obligation to prepare parallel accounting statements using a different fiscal year) on Manager, or would otherwise adversely affect Manager's rights under this Agreement, but not to the degree of materiality which would be prohibited under Section 9.04A, and with respect to which Manager believes, in its good faith judgment, that it can be adequately compensated, Manager hereby agrees that it will execute and deliver such requested amendment of this Agreement, provided that Owner compensates Manager for the additional out-of-pocket costs of Manager imposed by such amendment.

### ARTICLE X DEFAULTS

- 10.01 Events of Default. Each of the following shall constitute an "Event of Default" to the extent permitted by applicable law:
- A. The filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy law by either party, or the admission by either party that it is unable to pay its debts as they become due. Upon the occurrence of any Event of Default by

either party (referred to as the "defaulting party") as described under this Section 10.01A said Event of Default shall be deemed a "Default" under this Agreement.

- B. The consent to an involuntary petition in bankruptcy or the failure to vacate, within ninety (90) days from the date of entry thereof, any order approving an involuntary petition by either party. Upon the occurrence of any Event of Default by either party as described under this Section 10.01B said Event of Default shall be deemed a "Default" under this Agreement.
- C. The entering of an order, judgment or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating either party as bankrupt or insolvent or approving a petition seeking reorganization or appointing a receiver, trustee, or liquidator of all or a substantial part of such party's assets, and such order, judgment or decree's continuing unstayed and in effect for an aggregate of sixty (60) days (whether or not consecutive). Upon the occurrence of any Event of Default by either party as described under this Section 10.01C said Event of Default shall be deemed a "Default" under this Agreement.
- D. The failure of either party to make any payment required to be made in accordance with the terms of this Agreement, as of the due date as specified in this Agreement. Upon the occurrence of any Event of Default by either party as described under this Section 10.01D, said Event of Default shall be deemed a "Default" under this Agreement if the defaulting party fails to cure such Event of Default within ten (10) days after receipt of written notice from the non-defaulting party demanding such cure.
- E. The failure of either party to perform, keep or fulfill any of the other covenants, undertakings, obligations or conditions set forth in this Agreement, and the continuance of such default for a period of thirty (30) days after the defaulting party's receipt of written notice from the non-defaulting party of said failure. Upon the occurrence of any Event of Default by either party as described under this Section 10.01E said Event of Default shall be deemed a "Default" under this Agreement if the defaulting party fails to cure the Event of Default within thirty (30) days after receipt of written notice from the non-defaulting party demanding such cure, or, if the Event of Default is such that it cannot reasonably be cured within said thirty (30) day period of time, if the defaulting party fails to commence the cure of such Event of Default within said thirty (30) day period of time or thereafter fails to diligently pursue such efforts to completion within an additional thirty (30) day period.

#### 10.02 Remedies.

A. Upon the occurrence of a Default, the non-defaulting party shall have the right to pursue any one or more of the following courses of action: (1) terminate this Agreement (subject to Section 10.03) by written notice to the defaulting party, which termination shall be effective as of the effective date which is set forth in said notice, provided that said effective date shall be at least thirty (30) days after the date of said notice; (2) institute forthwith any and all proceedings permitted by law or equity (provided they are not specifically barred under the terms of this Agreement), including, without limitation, actions for specific performance and/or damages; and (3) avail itself of the remedies described in Section 10.03.

B. Upon the occurrence of a Default as described under Section 10.01E, the non-defaulting party shall be entitled to terminate this Agreement as described in Section 10.02 above only in the event of a material breach by the defaulting party of its obligations under this Agreement.

#### 10.03 Additional Remedies.

- A. Upon the occurrence of an Event of Default by either party under the provisions of Section 10.01D the amount owed to the non-defaulting party shall accrue interest, at an annual rate equal to the Prime Rate plus three (3) percentage points, from and after the date on which such payment was originally due to the non-defaulting party.
- B. The rights granted under this Article X shall not be in substitution for, but shall be in addition, to, any and all rights and remedies available to the non-defaulting party (including, without limitation, injunctive relief and damages) by reason of applicable provisions of law or equity.
- C. <u>Termination for Convenience</u>. Notwithstanding anything to the contrary set forth herein, Owner or Manager may terminate this Agreement for convenience with thirty (30) days' prior written notice to the other party.

#### ARTICLE XI ASSIGNMENT

#### 11.01 Assignment.

- A. Manager shall not assign or transfer its interest in this Agreement without the prior written consent of Owner; provided, however, that Owner shall not unreasonably withhold its consent to an assignment by Manager of its interest in this Agreement to any Affiliate.
- B. Owner shall not assign or transfer its interest in this Agreement without the prior written consent of the Manager, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that Owner shall have the right, without such consent (but upon written notice to Manager), to (i) conditionally assign this Agreement as security for a Mortgage on the Property or (ii) assign this Agreement to an Affiliate of Owner.
- C. In the event either party consents to an assignment of this Agreement by the other, no further assignment shall be made without the express consent in writing of such party, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. An assignment by either Owner or Manager of its interest in this Agreement shall not relieve Owner or Manager, as the case may be, from its respective obligations under this Agreement for any obligations arising prior to the date of the assignment, and shall inure to the benefit of, and be binding upon, its respective successors, heirs, legal representatives, or permitted assigns.

#### 11.02 Sale of the Property.

- A. Cooperation with Broker. If Owner executes a listing agreement or other brokerage agreement with a broker (other than Manager) or an agreement directly with a principal for the sale or financing of the Property, or any other agreement relating to the transfer of ownership of the Property, Manager will cooperate with such broker or principal to the end that the respective activities of Manager and such broker or principal will be carried on without friction and without interference with tenants and occupants. In connection with any such sale, financing, or other transfer, Manager will (1) use all reasonable efforts to obtain tenant estoppel certificates and such other certificates and other document from tenants and service providers as Owner may reasonably request; (2) use all reasonable efforts to research the accuracy of any representations and warranties regarding the Property that are made by Owner; (3) execute such consents, assignments, manager estoppels, and other documents as Owner may reasonably request (4) provide such other services as Owner may reasonably require (provided that Owner shall reimburse all out of pocket costs and shall reimburse Manager for any substantial service it provides which are beyond the scope of its routine management of the Property pursuant to the other Sections of this Agreement); and (5) permit the broker to show the Property (and any principal to view same) during reasonable business hours.
- B. <u>No Sales/Brokerage Commissions</u>. Manager hereby acknowledges and agrees that, unless it has been engaged by Owner pursuant to a separate written agreement signed by Owner, Manager has not been engaged hereunder to represent Owner in connection with any current or future sale, financing or other transfer of the Property and has no authority to represent Owner in connection therewith or right to any fee, commission or other form of compensation in connection with sales, financings or other transfers.
- C. <u>Termination By Sale</u>. Notwithstanding anything to the contrary set forth herein, anytime that Owner shall sell, transfer, or convey title to all or substantially all of the Property (the "Ownership Transfer"), this Agreement shall automatically terminate effective as of the date of such Ownership Transfer; provided, however, that any management fees which accrue prior to the Ownership Transfer shall be due and payable to Manager.

## ARTICLE XII MISCELLANEOUS

12.01 Right to Make Agreement. Each party warrants, with respect to itself, that neither the execution of this Agreement nor the finalization of the transactions contemplated hereby shall violate any provision of law or judgment, writ, injunction, order or decree of any court or governmental authority having jurisdiction over it; result in or constitute a breach or default under any indenture, contract, other commitment or restriction to which it is a party or by which it is bound; require any consent, vote or approval which has not been taken, or at the time of the transaction involved shall not have been given or taken. Each party covenants that it has and will continue to have throughout the Term of this Agreement and any extensions thereof, the full right to enter into this Agreement and perform its obligations hereunder.

- 12.02 <u>Consents</u>. Wherever in the Agreement the consent or approval of Owner or Manager is required, such consent shall be in writing and shall be executed by a duly authorized officer or agent of the party granting such consent or approval.
- 12.03 Relationship. In the performance of this Agreement, Manager shall act solely as an independent contractor. Neither this Agreement nor any agreements, instruments, documents, or transactions contemplated hereby shall in any respect be interpreted deemed or construed as making Manager a partner, joint venturer with, or agent of, Owner. Owner and Manager agree that neither party will make any contrary assertion, claim or counterclaim in any action, suit, arbitration or other legal proceedings involving Owner and Manager.
- 12.04 Applicable Law and Jurisdiction. The Agreement shall be construed under and shall be governed by the laws of the State of Texas. The parties agree that proper venue for any and all actions hereunder shall be in a court or courts of competent jurisdiction located in the State of Texas. The parties hereby expressly waive, to the full extent permitted by applicable law, any right to trial by jury with respect to any judicial proceeding arising from or related to this Agreement.
- 12.05 <u>Headings</u>. Headings of articles and sections are inserted only for convenience and are in no way to be construed as a limitation on the scope of the particular articles or sections to which they refer.
- 12.06 <u>Notices</u>. Notices, statements and other communications to be given under the terms of the Agreement shall be in writing and delivered by hand against receipt or sent by certified or registered mail or Express Mail service, postage prepaid, return receipt requested or by nationally utilized overnight delivery service, addressed to the parties as follows:

To Owner: Mount Street US (Georgia) LLP

5910 N. Central Expressway, Suite 1600

Dallas, Texas 75206 Attn: Hugh Wall Phone: (816) 787-1403

Email: Hugh. Wall@mountstreet.com

with copy to: Holland & Knight LLP

1722 Routh Street, 15th Floor

Dallas, Texas 75201 Attn: Mark Weibel, Esq. Phone: (214) 969-1111

Email: Mark.Weibel@hklaw.com

To Manager: Driftwood Special Servicing, LLC

11770 U.S. Highway One East Tower, Suite 202

North Palm Beach, FL 33408 Attn: David Buddemeyer

Phone: (561) 207-2700

Email: DBuddemeyer@dhmhotels.com

with copy to:

Steams Weaver Miller Weissler Alhadeff & Sitterson, P.A.

150 West Flagler Street, Suite 2200

Miami, Florida 33130

Attn: Robert I. Weissler, Esq.

Phone: (305) 789-3333

Email: RWeissler@stearnsweaver.com

or at such other address as is from time to time designated by the party receiving the notice. Any such notice that is mailed in accordance herewith shall be deemed received when delivery is received or refused, as the case may be. Additionally, notices may be given by Email, provided that an original copy of said transmission shall be delivered to the addressee by nationally utilized overnight delivery service on the second business day following such transmission. Emails shall be deemed delivered on the date of such transmission.

- 12.07 <u>Projections</u>. Owner acknowledges that any written or oral projections, pro formas, or other similar information that has been, prior to execution of this Agreement, or will, during the Term, be provided by Manager or any Affiliate to Owner is for information purposes only and that Manager and any such Affiliate do not guarantee that the Property will achieve the results set forth in any such projections, pro formas, or other similar information.
- 12.08 Actions to Be Taken Upon Termination. Upon a Termination of this Agreement, the following shall be applicable:
- A. Manager shall, within ninety (90) days after Termination of this Agreement, prepare and deliver to Owner a final accounting statement with respect to the Property, along with a statement of any sums due from Owner to Manager pursuant hereto, dated as of the date of Termination. Within thirty (30) days of the receipt by Owner of such final accounting statement, the parties will make whatever cash adjustments are necessary pursuant to such final statement. The cost of preparing such final accounting statement shall be an Operating Expense, unless the Termination occurs as a result of a Default by either party, in which case the defaulting party shall pay such cost. Manager and Owner acknowledge that there may be certain adjustments for which the information will not be available at the time of the final accounting and the parties agree to readjust such amounts and make the necessary cash adjustments when such information becomes available; provided, however, that all accounts shall be deemed final six (6) months after Termination.
- B. Manager shall promptly (and in any event within thirty (30) days following termination) release and transfer to Owner (or to any purchaser as directed by Owner) any of Owner's funds which are held or controlled by Manager with respect to the Property.
- C. Manager shall make available to Owner such books and records respecting the Property (including those from prior years, subject to Manager's reasonable records retention policies) as will be needed by Owner to prepare the accounting statements, in accordance with the Uniform System of Accounts, for the Property for the year in which the Termination occurs and for any subsequent year.

- D. Manager shall (to the extent permitted by law) assign to Owner or to the new manager all operating licenses and permits for the Property which have been issued in Manager's name (including liquor and restaurant licenses, if any); provided that if Manager has expended any of its own funds in the acquisition of any of such licenses or permits, Owner shall reimburse Manager therefore if it has not done so already.
- E. Any computer software (including upgrades and replacements) at the Property owned by Manager, an Affiliate, or the licensor of any of them is proprietary to Manager, such Affiliate, or the licensor of any of them and shall in all events remain the exclusive property of Manager, the Affiliate or the licensor of any of them, as the case may be, and nothing contained in this Agreement shall confer on Owner the right to use any of such software. Manager shall have the right to remove from the Property without compensation to Owner any computer software (including upgrades and replacements), including, without limitation, the software owned by Manager, any Affiliate or the licensor of any of them. Furthermore, upon Termination, notwithstanding the provisions of Section 6.04 of this Agreement, Manager shall be entitled to remove from the Property (without compensation to Owner) any computer equipment which is owned by Manager.
  - F. Manager shall peacefully vacate and surrender the Property to Owner.

The provisions of this Section 12.08 shall survive Termination.

- 12.09 Waiver. The failure of either party to insist upon a strict performance of any of the terms or provisions of the Agreement, or to exercise any option, right or remedy contained in this Agreement, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy, but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party.
- 12.10 Partial Invalidity If any portion of this Agreement shall be declared invalid by order, decree or judgment of a court, this Agreement shall be construed as if such portion had not been so inserted except when such construction would operate as an undue hardship on Manager or Owner or constitute a substantial deviation from the general intent and purpose of said parties as reflected in the Agreement.
- 12.11 Survival. Except as otherwise specifically provided herein, the rights and obligations of the parties herein shall not survive any Termination of this Agreement.
- 12.12 <u>Negotiation of Agreement</u>. Owner is a business entity having substantial experience with the subject matter of this Agreement and has fully participated in the negotiation and drafting of this Agreement. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the draftsman. No inferences shall be drawn from the fact that the final, duly executed Agreement differs in any respect from any previous draft hereof.
- 12.13 Entire Agreement. This Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto and together with any instruments to be executed and delivered pursuant to this Agreement, constitutes the entire agreement between the parties and

supersedes all prior understandings and writings, and may be changed only by a writing signed by the parties hereto.

12.14 Affiliates. Upon prior notice to and consent of Owner (which consent Owner shall not unreasonably withhold or delay) Manager shall be entitled to contract with one or more of its Affiliates to provide goods and/or services to the Property, provided that (i) the prices and/or fees paid to any such Affiliate are competitive with the prices and/or fees which would be charged by reputable and qualified parties which are not Affiliates of Manager for similar goods and/or services and (ii) any such arrangement is on arm's-length, fair market terms. The prices and/or fees paid to its Affiliates may include overhead and the allowance of a reasonable return customary for the goods and/or services to be provided. In determining, pursuant to the foregoing, whether such prices and/or fees are competitive, the goods and/or services which are being purchased shall be grouped in reasonable categories, rather than being compared item by item. For the purposes of this Section 12.14 only, "Affiliate" shall include any Person in which Manager may have an interest, even if that interest is not sufficient to classify that Person as an Affiliate under the definition contained in Section 1.01.

#### 12.15 Arbitration.

- A. In the event of a dispute between Owner and Manager with respect to any issue of fact specifically mentioned herein as a matter to be decided by arbitration, such dispute shall be determined by arbitration as provided in this Section 12.15.
- B. Disputes shall be resolved in accordance with the Commercial Arbitration Rules of the American Arbitration Association then pertaining. The decision of the arbitrators shall be binding, final and conclusive on the parties.
- Owner and Manager shall each appoint and pay all fees of a fit and impartial person as arbitrator who shall have had at least ten (10) years' recent professional experience in the general subject matter of the dispute. Notice of such appointment shall be sent in writing by each party to the other, and the arbitrators so appointed, in the event of their failure to agree within thirty (30) days after the appointment of the second arbitrator upon the matter so submitted, shall appoint a third arbitrator. If either Owner or Manager shall fail to appoint an arbitrator, as aforesaid, for a period of twenty (20) days after written notice from the other party to make such appointment, then the arbitrator appointed by the party having made such appointment shall appoint a second arbitrator and the two so appointed shall, in the event of their failure to agree upon any decision within thirty (30) days thereafter, appoint a third arbitrator. If such arbitrators fail to agree upon a third arbitrator within forty-five (45) days after the appointment of the second arbitrator, then such third arbitrator shall be appointed by the American Arbitration Association from its qualified panel of arbitrators, and shall be a person having at least ten (10) years' recent professional experience as to the subject matter in question. The fees of the third arbitrator and the expenses incident to the proceedings shall be borne equally between Owner and Manager, unless the arbitrators decide otherwise. The fees of respective counsel engaged by the parties, and the fees of expert witnesses and other witnesses called for the parties, shall be paid by the respective party engaging such counsel or calling or engaging such witnesses.

D. The decision of the arbitrators shall be rendered within thirty (30) days after appointment of the third arbitrator. Such decision shall be in writing and in duplicate, one counterpart thereof to be delivered to Owner and one to Manager. A judgment of a court of competent jurisdiction may be entered upon the award of the arbitrators in accordance with the rules and statutes applicable thereto then obtaining.

#### 12.16 Indemnification.

- A. Indemnification by Owner. To the extent not covered by public liability insurance in favor of Manager and Owner, and provided Manager has first attempted to recover any such public liability insurance coverage, Owner shall indemnify, defend and hold harmless Manager from all claims, damages, liabilities costs or expenses (including reasonable attorneys' fees) of third parties resulting from Manager's due performance under this Agreement other than as a result of grossly negligent acts or omissions or the fraud, willful misconduct, or acts beyond the Manager's scope of authority herein. Owner agrees to reimburse Manager for and indemnify Manager against the payment of all monies which Manager is required to pay out in connection with or as an expense in defense of any claim, civil or criminal action, proceedings, charge or prosecution made, instituted or maintained against Manager resulting from Manager's due performance under this Agreement other than as a result of grossly negligent acts or omissions or the fraud, willful misconduct, or acts beyond the Manager's scope of authority herein.
- B. Indemnification by Manager. To the extent not covered by public liability insurance in favor of Manager and Owner and provided Owner has first attempted to recover any such public liability insurance coverage, Manager shall defend, indemnify and hold harmless Owner from all claims, damages, liabilities costs or expenses (including reasonable attorneys' fees) of third parties caused by Manager's grossly negligent acts or omissions, fraud, acts beyond the scope of Manager's authority herein, or willful misconduct of Manager. Manager agrees to reimburse Owner for and indemnify Owner against the payment of all monies which Owner is required to pay out in connection with or as an expense in defense of any claim, civil or criminal action, proceedings, charge or prosecution made, instituted or maintained against Owner due to, caused by, or arising out of the Manager's grossly negligent acts or omissions, fraud, willful misconduct, acts beyond the Manager's scope of authority herein, or acts by Manager that will materially violate this Agreement. Manager shall maintain throughout the Term of this Agreement, at Manager's expense, insurance coverage in amounts reasonable and customary for hotel management companies of similar size with comparable indemnity obligations and as reasonably approved by Owner.
- C. <u>Indemnification Procedure</u>. Upon the occurrence of an event giving rise to indemnification, the party seeking indemnification shall notify the other party hereto and provide the other party hereto with copies of any documents reflecting the claim, damage, loss or expense. The party seeking indemnification is entitled to engage such attorneys and other persons to defend against the claim, damage, loss or expense, as it may choose. The party providing indemnification shall pay the reasonable charges and expenses of such attorneys and other persons on a current basis within twenty (20) days of submission of invoices or bills.
- D. <u>Waiver of Consequential Damages</u>. Except in connection with third party claims covered by the indemnity provisions of this Section 12.16, neither Manager nor Owner will

be liable to the other party for any lost profits or special, incidental, punitive, exemplary or indirect damages in connection with this Agreement.

#### 12.17 Intentionally Deleted.

12.18 Estoppel Certificates. Manager shall, at any time and from time to time, upon not less than fifteen (15) days' prior notice from Owner, execute and deliver to Owner, or to any third party specified by Owner, a statement in writing: (i) stating to the best knowledge of Manager whether or not there is a continuing Event of Default by Owner (or any event that, with the giving of notice, the lapse of time or both would constitute an Event of Default) in the performance or observance of any covenant, agreement or condition contained in this Agreement; (ii) certifying that this Agreement is unmodified and in full force and effect (or if there have been modifications, that the same, as modified, is in full force and effect and stating the modifications); and (iii) disclosing such other and further matters as may be reasonably required by Owner or such other third party.

#### SIGNATURES CONTINUED ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have caused the Agreement to be executed under seal as of the day and year first written above.

#### OWNER:

MS 700 COURTYARD DR, LLC, a Delaware limited liability company

Ву:

Name: Steve Luther

Title: Authorized Signatory

#### MANAGER:

DRIFTWOOD SPECIAL SERVICING, LLC, a Delaware limited liability company

By:

Name: David Buddemeyer

Title: Manager

#### **EXHIBIT A**

#### THE PROPERTY

Real property in the City of St. Charles, County of Kane, State of Illinois, described as follows:

#### PARCEL ONE:

LOT 2 IN FOXFIELD COMMONS, P.U.D. BEING A SUBDIVISION OF PART OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED JUNE 19, 1998 AS DOCUMENT NO. 98K054224, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

#### PARCEL TWO:

EASEMENT FOR INGRESS AND EGRESS, UTILITY EASEMENTS AND TEMPORARY MAINTENANCE EASEMENTS OVER LOT 3 FOR BENEFIT OF PARCEL ONE AS SHOWN ON SAID SUBDIVISION PLAT AND CREATED BY DECLARATION OF EASEMENTS RESTRICTIONS AND COVENANTS RECORDED JULY 30, 1998 AS DOCUMENT 98K067453.

#### PARCEL THREE:

EASEMENTS FOR SIGN PURPOSES FOR BENEFIT OF PARCEL ONE CREATED BY DECLARATION OF EASEMENTS RESTRICTIONS AND COVENANTS RECORDED JULY 30, 1998 AS DOCUMENT 98K067453 ON AND OVER AREAS DESCRIBED IN SAID DECLARATION.

Address: 700 Courtyard Drive, St. Charles, Illinois 60174

P.I.N. No.: 09-25-103-002

## EXHIBIT B FORM OF BUDGET

# Hotel Name 2025 Budgeted Statement of Ops

|                                    | Budget  | Budget                   | Budget                     | Budget                     | Budget      | Budget                     | Budget                     | Budget                     | Budget                     | Budget                     | Budget    | Budget      |        |          |
|------------------------------------|---|--------------------------|----------------------------|----------------------------|-------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------|-------------|--------|----------|
|                                    | Month Ended Month | 10nth Ended<br>28-Feb-25 | Month Ended !<br>31-Mar-25 | Month Ended N<br>30-Apr-25 | Jonih Ended | Month Ended A<br>30-Jun-25 | Jonth Ended 1<br>31-Jul-25 | Jonth Ended 7<br>31-Aug-25 | Wonth Ended N<br>30-Sep-25 | Ionth Ended N<br>31-Oct-25 | 30-Nov-25 | Jonin Ended | Lotal  | %/Per Rm |
| Available Rooms                    | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      |          |
| Rooms Sold                         | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      |          |
| Rooms Occupied                     | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      |          |
| Occupancy                          | 0.0%  | %0.0                     | %0.0                       | 0.0%                       | 0.0%        | %0.0                       | %0.0                       | 0.0%                       | 0.0%                       | 0.0%                       | %0.0      | 0.0%        | %0.0   |          |
| Average Rate                       | \$0.00  | \$0.00                   | \$0.00                     | \$0.00                     | \$0.00      | \$0.00                     | \$0.00                     | \$0.00                     | \$0.00                     | \$0.00                     | \$0.00    | \$0.00      | \$0.00 |          |
| Rev/Par                            | \$0.00  | \$0.00                   | \$0.00                     | \$0.00                     | \$0.00      | \$0.00                     | \$0.00                     | \$0.00                     | \$0.00                     | \$0.00                     | \$0.00    | \$0.00      | \$0.00 |          |
| Departmental Revenue               |   |                          |                            |                            |             |                            |                            |                            |                            |                            |           |             |        |          |
| Rooms                              | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Other Operating Sales              | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Total Revenue                      | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Departmental Costs & Expenses      |   |                          |                            |                            |             |                            |                            |                            |                            |                            |           |             |        |          |
| Rooms                              | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Other Operating Expenses           | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Total Departmental Expenses        | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Gross Contribution                 | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| General & Unapplied Expenses       |   |                          |                            |                            |             |                            |                            |                            |                            |                            | ,         |             | ,      | į        |
| General & Administration           | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | a                          | 0                          | 0                          | 0         | 0           | 0      | %0.0     |
| Information and Telecom Systems    | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Advertising & Promotion            | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Franchise Expense                  | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Repairs & Maintenance              | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Utilities                          | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Total General & Unapplied Expenses | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | Φ      | 0.0%     |
| House Profit                       | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Other Operating Expenses           |   |                          |                            |                            |             |                            |                            |                            |                            |                            |           |             |        |          |
| Management Fees                    | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Insurance                          | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Property & Other Taxes             | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Total Other Operating Expenses     | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Net Operating Income               | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Other Expenses                     | 0   | 0                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |
| Net Profit                         | 0   | ٥                        | 0                          | 0                          | 0           | 0                          | 0                          | 0                          | 0                          | 0                          | 0         | 0           | 0      | 0.0%     |

# Hotel Name 2025 Budgeted Statement of Ops

|                                | Budget    | Budget    | Budget    | Budget    | Budget    | Budget | Budget    | Budget    | Budget    | Budget    | Budget    | Budget    | F     |          |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|---|-----------|-----------|-----------|-----------|-----------|-----------|-------|----------|
|                                | 31-Jan-25 | 28-Feb-25 | 31-Mar-25 | 30-Apr-25 | 31-May-25 | 30-Jun-25   | 31-Jul-25 | 31-Aug-25 | 30-Sep-25 | 31-Oct-25 | 30-Nov-25 | 31-Dec-25 | lota  | %/Per Rm |
| Room Revenue By Market Segment |           |           |           |           |           |   |           |           |           |           |           |           |       |          |
| Rack-Transient: Rooms          | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | •         | 0         | 0         | 0         | 0     | 0.0%     |
| Corporate-Transient: Rooms     | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | %0.0     |
| Group: Rooms-                  | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Franchise; Rooms: Rooms        | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Government: Rooms              | 0         | 0         | 0         | D         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Packages: Rooms                | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Internet: Rooms                | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Discount: Rooms                | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| No Show Revenue: Misc          | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
|                                | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Rooms Occ. By Market Segment   |           |           |           |           |           |   |           |           |           |           |           |           |       |          |
| Transient Rack: Stats          | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Transient Corp; Stats          | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Group: Stats-                  | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Franchise: Stats               | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Government: Stats              | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Packages: Stats                | 0         | D         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Internet: Stats                | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Discount: Stats                | 0         | 0         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
|                                | 0         | ٥         | 0         | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0     | 0.0%     |
| Rate By Market Segment         |           |           |           |           |           |   |           |           |           |           |           |           |       |          |
| Rack-Transient: Rooms          | 0.00      | 0.00      | 0.00      | 0.00      | 00'0      | 0.00  | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  |          |
| Corporate-Transient: Rooms     | 0.00      | 0.00      | 0.00      | 0.00      | 00.0      | 0.00  | 00:0      | 0.00      | 0.00      | 00.0      | 0.00      | 0.00      | 00:00 |          |
| Group: Rooms-                  | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0000  | 0.00      | 0.00      | 00'0      | 0.00      | 0.00      | 0.00      | 0.00  |          |
| Franchise; Rooms: Rooms        | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 00:0  | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  |          |
| Government: Rooms              | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  |          |
| Packages: Rooms                | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  |          |
| Internet: Rooms                | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  | 0.00      | 0.00      | 00'0      | 0.00      | 0.00      | 0.00      | 0.00  |          |
| Discount: Rooms                | 0.00      | 0.00      | 0.00      | 00'0      | 0.00      | 0.00  | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00  |          |
|                                | 0.00      | 0.00      | 0.00      | 00:00     | 0.00      | 00:0  | 0.00      | 0.00      | 00'0      | 0.00      | 0.00      | 0.00      | 0.00  |          |

# Hotel Name 2025 Budgeted Statement of Ops

| Rooms Division Front Desk: Rooms Night Auditor: Rooms Asst Housekeeper: Rooms Room Attendant Houseman: Rooms | 21 Ive 26 | 28-Hah-25 |           |           | DOM: PROPE |           | TOTAL PROPERTY. | MODIE ENDED MONIE ENDED | Month prices |           |           |           |   |          |
|--|-----------|-----------|-----------|-----------|------------|-----------|-----------------|---|--------------|-----------|-----------|-----------|---|----------|
| Rooms Division Front Desk: Rooms Night Auditor: Rooms Asst Housekeeper: Rooms Room Attendant Houseman: Rooms | 51-Jan-23 |           | 31-Mar-25 | 30-Apr-25 | 31-May-25  | 30-Jun-25 | 31-Jul-25       | 31-Aug-25   | 30-Sep-25    | 31-Oct-25 | 30-Nov-25 | 31-Dec-25 |   | %/Per Rm |
| Front Desk: Rooms Night Auditor: Rooms Asst Housekeeper: Rooms Room Attendant Houseman: Rooms                |           |           |           |           |            |           |                 |   |              |           |           |           |   |          |
| Night Auditor Rooms<br>Asst Housekeeper: Rooms<br>Room Attendant<br>Houseman: Rooms                          | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Asst Housekeeper: Rooms<br>Room Attendant<br>Houseman: Rooms   | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Room Attendant<br>Houseman: Rooms  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Houseman: Rooms  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
|  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Laundry  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Brkfst Bar Atten   | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Rooms Payroll Costs  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Vacations Pay  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Holiday Pay  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Sick Pay   | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Total Vacation Sick & Holiday Pay  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Total Rooms Payroll  | 0         | 0         | 0         | 0         | 0          | Đ         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |
| Employee Benefits: Rooms   | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.0%     |
| Fica: Rooms  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.0%     |
| Fed Unemployment: Rooms  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | %0:0     |
| State Unemployment: Rooms  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.0%     |
| Group Insurance: Rooms   | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.0%     |
| Workers Compensation-Rooms: Ro   | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.0%     |
| Pension Rooms  | û         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | %0.0     |
| Total Benefits & Employer Taxes  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.0%     |
| Total Pavroll  | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 00:00    |
| Total P/R & Related Expenses   | 0         | 0         | 0         | 0         | 0          | 0         | 0               | 0   | 0            | 0         | 0         | 0         | 0 | 0.00     |

| Month Ended Month |                                 | Budget                   | Budget                   | Budget                     | Budget                   | Budget                   | Budget      | Budget                   | Budget                   | Budget                   | Budget                   | Budget                   | Budget                   | F     |          |
|---|---------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|-------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------|----------|
|   |                                 | Month Ended<br>31-Jan-25 | Month Ended<br>28-Feb-25 | Month Ended 1<br>31-Mar-25 | Month Ended<br>30-Apr-25 | Month Ended<br>31-May-25 | Month Ended | Month Ended<br>31-jul-25 | Month Ended<br>31-Aug-25 | Month Ended<br>30-Sep-25 | Month Ended<br>31-Oct-25 | Month Ended<br>30-Nov-25 | Month Ended<br>31-Dec-25 | lotal | %/Per Rm |
|   | Sales Department                |                          |                          |                            |                          |                          |             |                          |                          |                          |                          |                          |                          |       |          |
|   | Director Of Sales: A&P          | 0                        | 0                        |                            | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.00     |
|   | Sales Personnel: A&P            | 0                        |                          | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.00     |
|   | Sales Payroll Costs             | 0                        |                          | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.00     |
|   | Total Sales Payroll Costs       | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0:00     |
| A seess    M  | Fica: A&P                       | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
|   | Fed Unemployment: A&P           | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | D        |
| A A A A A A A A A A A A A A A A A A A   | State Unemployment: A&P         | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | Q                        | 0                        | 0                        | 0     | 0.0%     |
| A A A A A A S A A A A A A A A A A A A A   | Group Insurance: A&P            | 0                        | 0                        | 0                          | 0                        | O.                       | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
| 3xes    1   | Workers Compensation: A&P       | 0                        | 0                        | 0                          | O                        | O                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
| A Saves O   | Pension: A&P                    | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
| MA O  | Total Benefits & Employer Taxes | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
| MA CO   | Total P.R & Related Expenses    | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.00     |
| M   | Maintenance Department          |                          |                          |                            |                          |                          |             |                          |                          |                          |                          |                          |                          |       |          |
| M   | Chief Engineer: R&M             | 0                        |                          | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | Đ                        | 0                        | 0                        | 0                        | 0     | 0.00     |
| 1   | Maintenance Personnel: R&M      | 0                        |                          | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.00     |
| A A Aves S C C C C C C C C C C C C C C C C C C  | M&R Payroll Costs               | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.00     |
| Model of the control | Total M&R Payroll Costs         | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0:00     |
| A 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0   | Fica: R&M                       | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
| A 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0   | Fed Unemployment: R&M           | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
| A 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0   | State Unemployment: R&M         | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 9                        | 0                        | 0                        | 0                        | 0     | 0        |
| ves 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0   | Group Insurance-R&M: R&M        | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | %0.0     |
| ves 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0   | Workers Compensation: R&M       | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
|   | Total Benefits & Employer Taxes | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.0%     |
|   | Total P/R & Related Expenses    | 0                        | 0                        | 0                          | 0                        | 0                        | 0           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0     | 0.00     |

|                                | Budget<br>Month Ended | Budget Month<br>Month Ended Month Ended | Budget<br>Month Ended | Total |          |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------|----------|
|                                | 31-Jan-25             | 28-Feb-25             | 31-Mar-25             | 30-Apr-25             | 31-May-25             | 30-Jun-25   | 31-Jul-25             | 31-Aug-25             | 30-Sep-25             | 31-Oct-25             | 30-Nov-25             | 31-Dec-25             |       | %/Per Rm |
| Rooms Department               |                       |                       |                       |                       | 8                     |   |                       |                       |                       |                       |                       |                       |       |          |
| Total Room Sales               | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | ċ        |
| Payroll & Related Expense      |                       |                       |                       |                       |                       |   |                       |                       |                       |                       |                       |                       |       |          |
| Rooms Payroll                  | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | %,000    |
| Payroll Taxes And Benefits     | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | 0.0%     |
| Total P/R & Related Benefits   | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | 0.0%     |
| Other Expenses                 |                       |                       |                       |                       |                       |   |                       |                       |                       |                       |                       |                       |       |          |
| Laundry & Cleaning Supplies: R | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | 20       |
| Linen Replacement: Rooms       | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | er.      |
| Guest Relations: Rooms         | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     |          |
| Uniforms; Rooms                | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | 10       |
| Comp. Food & Bev. Rooms        | 0                     | 0                     | 0                     | 0                     | 0                     | 6   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | 2        |
| Guest & Operating Supplies: Ro | 0                     | 0                     | 0                     | 9                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     |          |
| Travel Agent Commissions: Room | 0                     | 0                     | 0                     | 9                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | 0.0%     |
| Cable T.V., Rooms              | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     |          |
| Total Other Expense            | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     |          |
| Total Rooms Department Expense | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | ,        |
| Department Profit-Loss         | 0                     | 0                     | 0                     | 0                     | 0                     | 0   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0     | %0.0     |

|   | %/Per Rm  | 0.00 | 00:0 | 00:0 | 0.00 | 0.00 |   | 0.00 | 0.00 | 0.00 |  |
|---|-----------|------|------|------|------|------|---|------|------|------|--|
| Total   |           | 0    | 0    | 0    | 0    | 0    | • | 0    | 0    | 0    |  |
|   | 31-Dec-25 | Đ    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |
| Budget<br>Jointh Ended N  | 30-Nov-25 | 0    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |
| Budget<br>Month Ended N   | 31-Oct-25 | 0    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |
| Budget<br>Month Ended M   | 30-Sep-25 | 0    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |
| Budget<br>Month Ended M   | 31-Aug-25 | 0    | 0    | 0    | 0    | 0    | , | 0    | 0    | 0    |  |
| Budget<br>Aonth Ended N   | 31-Jul-25 | 0    | 0    | 0    | 0    | 0    | 1 | 0    | 0    | 0    |  |
| Budget<br>Aonth Ended N   | 30-Jun-25 | 0    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |
| Budget<br>Month Ended A   | 31-May-25 | 0    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |
| Budget<br>Month Ended N   | 30-Apr-25 | 0    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |
| Budget<br>Month Ended N   | 31-Mar-25 | 0    | 0    | 0    | 0    | D    | , | 0    | 0    | 0    |  |
| Budget<br>Month Ended N   | 28-Feb-25 | 0    | 0    | 0    | 0    | 0    | , | 0    | 0    | 0    |  |
| Budget Month<br>Month Ended Month Ended Mon | 31-Jan-25 | 0    | 0    | 0    | 0    | 0    |   | 0    | 0    | 0    |  |

Guest Laundry Charges: Misc Gift Shop Expense: Misc Total Expenses Net Other Operating Income

Expenses

Gift Shop Income: Misc Guest Laundry Income: Misc Total Other Operating Income

Other Operating Income Coin Operated Laundry Miscellaneous Income: Misc

|  | Budget    | Budget    | Budget | Budget    | Budget    | Budget    | Budget    | Budget    | Budget    | Budget    | Budget    | Budget    | F   |       |          |
|--|-----------|-----------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----|-------|----------|
|  | 31-Jan-25 | 28-Feb-25 | 31-Mar-25   | 30-Apr-25 | 31-May-25 | 30-Jun-25 | 31-Jul-25 | 31-Aug-25 | 30-Sep-25 | 31-Oct-25 | 30-Nov-25 | 31-Dec-25 | 100 | %/Per | %/Per Rm |
| Administrative & General                   |           |           |   | ,         |           |           |           |           |           |           |           |           |     |       |          |
| Payroll & Related Expense                  |           |           |   |           |           |           |           |           |           |           |           |           |     |       |          |
| A&G Payroll                                | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Payroll Taxes And Benefits                 | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | %0.0     |
| Total P/R & Related Benefits               | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | ,        |
| Other Expenses                             |           |           |   |           |           |           |           |           |           |           |           |           |     |       |          |
| Office Supplies: A&G                       | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Licenses & Taxes: A&G                      | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | ,        |
| Sales & Use Tax: A&G                       | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Postage: A&G                               | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Express Mail Charges, A&G                  | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Employee Recruitment: A&C                  | 0         | 0         | 0   | 0         | 0         | Đ         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Dues & Subscriptions: A&G                  | 0         | 0         | 0   | 0         | 0         | Đ         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Credit Card Commissions: Rooms             | 0         | 0         | 0   | 0         | 0         | Ð         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | 0.0%     |
| Travel-Operations: A&G                     | 0         | 0         | 0   | 0         | 0         | Ð         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | ÷        |
| Bank Charges: A&G                          | 0         | 0         | 0   | 0         | 0         | Ð         | 0         | 0         | 0         | 0         | 0         | Ф         |     | 0     |          |
| Bad Debt Expense                           | 0         | 0         | 0   | 0         | 0         | Đ         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Associate Training: A&G                    | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | *        |
| Other Professional Fees: A&G               | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Payroll Processing: A&G                    | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Accounting Costs: A&G                      | 0         | 0         | 0   | C         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | ٥     | 20       |
| Total Other                                | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | ig.      |
| Total Departmental Expense                 | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Information and Telecommunications Systems | lems      |           |   |           |           |           |           |           |           |           |           |           |     |       |          |
| Telephone Cost-Local: Phone                | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Telephone-Maintenance & Repair             | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Internet Expense                           | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Computer Services: A&G                     | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | 0        |
| Total ITS Expense                          | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     |          |
| Franchise Expense                          |           |           |   |           |           |           |           |           |           |           |           |           |     |       |          |
| Franchise Royalties: A&G                   | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | 0.00%    |
| Franchise Guest Program Fees               | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | 0.00%    |
| Other Franchise Service Fees               | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | 0.00%    |
| Reservation Expense: Rooms                 | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | 0.00%    |
| National Adv Assessment: A&P               | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | ۰     | 0.00%    |
| Total Franchise Expense                    | 0         | 0         | 0   | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |     | 0     | 0.00%    |
|  |           |           |   |           |           |           |           |           |           |           |           |           |     | ı     |          |

|                              | Month Ended Month | fonth Ended | Month Ended | ota |          |
|------------------------------|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----|----------|
|                              | 31-Jan-25   | 28-Feb-25   | 31-Mar-25   | 30-Apr-25   | 31-May-25   | 30-Jun-25   | 31-Jul-25   | 31-Aug-25   | 30-Sep-25   | 31-Oct-25   | 30-Nov-25   | 31-Dec-25   |     | %/Per Rm |
| Advertising & Promotion      |   |             |             |             |             |             |             |             |             |             |             |             |     |          |
| Payroll & Related Expense    |   |             |             |             |             |             |             |             |             |             |             |             |     |          |
| A&P Payroll                  | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Payroll Taxes And Benefits   | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | Ų   | 0 0.0%   |
| Total P/R & Related Benefits | 0   | 0           | O           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |     | 10       |
| Other Expenses               |   |             |             |             |             |             |             |             |             |             |             |             |     |          |
| Dues & Subscriptions: A&P    | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | Ų   |          |
| Travel A&P                   | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
|                              |   |             |             |             |             |             | -           | •           | -           |             |             | -           | -   |          |
| Outside enterrainment Acti   |   | 0           | 3 (         | 0 1         | 0           | 0 (         | 0           | 9           | o 4         | ٥ ﴿         | •           | 0 (         | , , |          |
| Directory Advertising: A&P   | 0   | 0           | 0           | 0           | 0           | 0           | 0           | Q           | 0           | 0           | 0           | 0           | 0   | •        |
| E Marketing: A&P             | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Membership - Trade Show Fees | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | 222      |
| Total Other                  | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Total Departmental Expense   | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Maintenance & Repair         |   |             |             |             |             |             |             |             |             |             |             |             |     |          |
| Payroli & Related Expense    |   |             |             |             |             |             |             |             |             |             |             |             |     |          |
| M&R Pavroll                  | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Payroll Taxes And Benefits   | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | O           | 0           | 0   | 20.0%    |
| Total P/R & Related Benefits | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | 100      |
| Other Expenses               |   |             |             |             |             |             |             |             |             |             |             |             |     |          |
| Uninsured Loss               | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | Q           | 0           | 0           | 0           | 0   |          |
| Maintenance Supplies: R&M    | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Building R&M                 | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | 250      |
| Furn, Fixt & Equipment: R&M  | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| A/C & Refrigeration: R&M     | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | 33       |
| Grounds & Parking: R&M       | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Swimming Pool: R&M           | 0   | 0           | 0           | 0           | 0           | 0           | 0           | G           | 0           | 0           | 0           | 0           | 0   |          |
| Painting & Decor: R&M        | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Plumbing & Electric: R&M     | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | .23      |
| Maintenance Confracts: R&M   | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Light Bulbs: R&M             | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | 900      |
| Extermination: R&M           | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | _ 1      |
| Total Other                  | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |     | _ 1      |
| Total Departmental Expense   | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Utilities                    |   |             |             |             |             |             |             |             |             |             |             |             |     |          |
| Electricity: HI&P            | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   | 200      |
| Gas/Fuel: Hi&P               | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Water & Sewage: HI&P         | 0   | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
| Waste Removal: HI&P          | 0   | 0           | 0           | 0           | 0           | ď           | 0           | 0           | 0           | 0           | 0           | 0           | 0   |          |
|                              | ,   |             |             |             |             |             |             |             |             |             |             |             |     |          |

|                                 | Budget      | Budget                   | Budget  | Budget                   | Budget      | Budget                     | Budget      | Budget                     | Budget                     | Budget                   | Budget                     | Budget                   |       |          |
|---------------------------------|-------------|--------------------------|---|--------------------------|-------------|----------------------------|-------------|----------------------------|----------------------------|--------------------------|----------------------------|--------------------------|-------|----------|
|                                 | Month Ended | Month Ended<br>28-Feb-25 | Month Ended Month | Month Ended<br>30-Apr-25 | Month Ended | Month Ended 1<br>30-Tun-25 | Month Ended | Month Ended 3<br>31-Aug-25 | Month Ended 1<br>30-Sep-25 | Month Ended<br>31-Oct-25 | Month Ended 1<br>30-Nov-25 | Month Ended<br>31-Dec-25 | Total | %/Per Rm |
| Other Operating Expenses        |             |                          |   |                          |             |                            |             | 0                          | 3                          |                          |                            |                          |       |          |
| Management Fee                  | 0           | 0                        | 0   | 0                        | 0           | 0                          | •           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | %0.0     |
| Asset Mngt Fee                  | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | %0.0     |
| Insurance - General: Fixed      | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Personal Property Tax: Fixed    | 0           | 0                        | 0   | 0                        | 0           | 0                          | Φ           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | %0.0     |
| Real Estate Property Taxes: Fi  | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Total Other Operating Expenses  | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Other Income & Expenses         |             |                          |   |                          |             |                            |             |                            |                            |                          |                            |                          |       |          |
| Interest Income: Misc           | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | %0.0     |
| Interest-1St Mortgage: O/E      | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Amortization Of Def Loan Costs  | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Deferred Exp Amortiz:O/E        | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Key Money Amortization          | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | %0:0     |
| Depreciation Expense            | 0           | 0                        | 0   | Ď                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Owner'S Expense                 | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Total Other Income & Expenses   | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | %0.0     |
| Total Primary Sales             | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     |          |
| Total Departmental Payroll      | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
|                                 |             |                          |   |                          |             |                            |             |                            |                            |                          |                            |                          |       |          |
| Employee Benefits               | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | %0.0     |
| Fica                            | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Fed Unemployment                | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| State Unemployment              | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Group Insurance                 | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Workers Compensation            | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Pension                         | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Total Benefits & Employer Taxes | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Total Payroll                   | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |
| Total P/R & Related Expenses    | 0           | 0                        | 0   | 0                        | 0           | 0                          | 0           | 0                          | 0                          | 0                        | 0                          | 0                        | 0     | 0.0%     |

#### **EXHIBIT C**

#### PROPERTY MANAGEMENT REPORTING PACKAGE

### MONTHLY FINANCIAL REPORTING PACKAGE COMPONENTS

## I. MANAGEMENT OVERVIEW: Property Status Report

#### II. FINANCIAL REPORTS/RECORDS:

Balance Sheet Profit and Loss Statement Smith Travel Research Reports General Ledger

#### III. BANK ACTIVITY:

Copy of Bank Statements Bank Reconciliation

#### OTHER:

Hotel Management Fee Calculation (Schedule II) Cash journal Check register

#### EXHIBIT D

#### **CENTRALIZED SERVICES**

| Category/Description                                | Hotel Benefits   | Allocation<br>Method                                   |
|---|--|--|
| Property Level Accounting                           | Sales, and HR System Support: Estimated S  | 67,500/year  |
| Back Office License Fees                            | Provides for back-office G/L and A/P, daily reports, budgeting, and forecasting  | Billed to each<br>property based on<br>room count size |
| Reporting Data Warehouse<br>Application License Fee | Provides business intelligence platform for reporting  | Per property allocation                                |
| Antivirus License and<br>Support License Fee        | Provides network security against viruses and malware  | Per property allocation                                |
| PCI Support/Maintenance                             | Payment Card Industry compliance requirements  | Per property allocation                                |
| IT Support Services (Option                         | nal): Estimated \$5,000/year   |  |
| Centralized IT Support<br>Services                  | Allocated to each property based upon users supported infrastructure including intranet, e-mail, applications, server, client hardware, hosted applications. | Per property<br>allocation                             |

|                                 | AGEN          | IDA ITEM    | <b>EXECUTIVE SUMMARY</b>  | Agenda Item number: 6     |
|---------------------------------|---------------|-------------|---|---------------------------|
|                                 |               | Recomm      | nendation to approve a Propo  | osal for a B-3 Liquor     |
|                                 | Title:        |             | Application and 2am Late Nig  | ' ' '                     |
| STORY.                          |               |             | k Pickleball Club, LLC, Located   | d at 100 N. Kirk Rd., St. |
| CITY OF                         |               | Charles     |   |                           |
| ST. CHARLES ILLINOIS • 1834     | Presenter:    | Acting Po   | lice Chief Eric Majewski  |                           |
| Meeting: Liqu                   | or Control Co | ommission   | <b>Date:</b> April 21, 20   | 25                        |
| Proposed Cost                   | :             |             | Budgeted Amount: \$   | Not Budgeted: □           |
| TIF District: C                 | hoose an iten | 1.          |   |                           |
| Executive Sum                   | mary (if not  | budgeted,   | please explain):  |                           |
|                                 |               |             | at 100 N. Kirk Rd., is requesting ap<br>t liquor application, for their busin | •                         |
|                                 |               |             |   |                           |
|                                 |               |             |   |                           |
|                                 |               |             |   |                           |
|                                 |               |             |   |                           |
|                                 |               |             |   |                           |
| Attachments (<br>Liquor License | please list): |             |   |                           |
| LIQUOI LICEIISE                 |               |             |   |                           |
|                                 |               |             | briefly explain):   |                           |
|                                 |               |             | sal for a B-3 Liquor License and 2a   |                           |
| applications M                  | ontauk Pickie | epali Club, | LLC located at 100 N. Kirk Rd., St. (   | charies.                  |

#### Police Department

## Memo



Date: 4/17/2025

To: Lora Vitek, Mayor-Liquor Commissioner

From: Eric Majewski, Deputy Chief of Police

Re: Background Investigation- Montauk Pickleball LLC. dba Montauk Pickleball Club,

100 N. Kirk Rd, St. Charles (B-3 Liquor License, 2am Late Night Permit)

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above-mentioned establishment.

Montauk Pickleball Club will be located at 100 N. Kirk Rd just south of the Jewel Osco store. The business is under construction and intends to open in February or March of 2026. Montauk Pickleball Club will offer pickleball courts for all ages and skill levels along with dining, bar service, sports broadcasts and event space.

The site location/floor plans and the corresponding application materials were reviewed by my staff. We found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with an on-site consumption license, subject to City Council approval.

Please see the application material, floorplan and business-plan for further details.

## LIQUOR APPLICANT BACKGROUND CHECK LIST



| APPLICANT(S): Bradley Parker                                 |           |           |
|--|-----------|-----------|
| BUSINESS: Montauk Pickleball Club, LLC                       |           |           |
| ADDRESS: 100 N. Kirk Rd., St. Charles, IL 60174              |           |           |
|  | REQUESTED | COMPLETED |
| APPLICATION  |           | X         |
| BUSINESS PLAN/FLOOR PLAN/MENU                                |           | X         |
| LEASE (OR LETTER OF INTENT)                                  |           | X         |
| BASSET CERTIFICATE(S)  |           | X         |
| FINGERPRINTS (ALL MANAGERS)                                  |           | X         |
| DRAM SHOP (CERTIFICATE OF INSURANCE)                         |           | X         |
| TLO  |           | X         |
| I-CLEAR  |           | X         |
| CERTIFICATE OF NATURALIZATION (IF APPLICABLE)                |           | N/A       |
| POLICE RECORDS CHECK   |           | X         |
| APPLICANT'S HOMETOWN RESIDENCY LETTER                        |           | X         |
| ILLINOIS LIQUOR COMMISSION                                   |           | N/A       |
| SITE VISIT   |           | N/A       |
| * COMMENTS: Site Visit: Business is till under construction. |           |           |
|  |           |           |
| INVESTIGATOR ASSIGNED: Cmdr. Vicicondi 368                   | Ω         |           |
| SUPERVISOR REVIEW:   |           |           |

#### Police Department



Date: 04/16/2025

To: Acting Chief Majewski #317

From: Cmdr. Vicicondi #368

Re: Liquor License Class (B3) - Restaurant (Late Night Permit 2:00am) - Background

Investigation for Montauk Pickleball Club, LLC - dba Harbor House Paddle &

**Provisions** 

#### IN SUMMARY:

The purpose of this memorandum is to outline steps taken during the background investigation for a liquor license application. This investigation was done based on the application submitted for a Class (B3) – Restaurant (Late Night Permit 2:00am) – liquor license for the business Montauk Pickleball Club, LLC – dba Harbor House Paddle & Provisions – which will be located at 100 N. Kirk Road, St. Charles, IL 60174.

#### **APPLICANT:**

| Parker, Bradley D. |  |
|--------------------|--|
| DOB:               |  |
|                    |  |
|                    |  |
| TX:                |  |
|                    |  |

#### **APPLICATION:**

The application is complete to include: a signed lease, a shopping center site plan, a staging area, a Certificate of Liability Insurance (Each Occurrence \$1,000,000 / General Aggregate \$2,000,000), a floor plan, and a menu. Also included was an Illinois BASSET certificate for Donald E. Walker III (Date of completion: 12/31/2024 / Cert. #: 000035735168). I noted the following while reviewing the application:

Donald E. Walker III (DOB: is listed as the General Manager (non-owner).



#### **WAIVERS:**

Due to Bradley Parker being out of state, on 02/17/25, I emailed Michael Fiorentino (General Counsel, Parker Hospitality) the required waivers needed to start this background investigation. On 03/06/25, Michael emailed me the waivers, which were signed and notarized, along with a photo of Bradley's Florida Driver's License (see attached waivers and image).

#### PERSONAL INTERVIEW:

On 03/28/25, I completed an interview with Bradley via Zoom (video/audio). During the interview, I learned the following information (in summary and not verbatim):

Bradley has lived at his current residence since April of 2021. Prior to that he lived at — April 2021). Bradly is a U.S. Citizen. (from 2015)

Regarding the move to St. Charles, Bradley advised that they are expanding their business – (they have 17 restaurants). There is no liquor inventory currently. Bradley is a liquor license holder at all 17 other restaurants. When asked if there were any past violations, Bradley answered no. Bradley plans to open/sell liquor in February/March of 2026 (when the construction will be done). Bradley advised there will be about 40-50 employees and Donald Walker will be the on-site manager.

#### BRADLEY PARKER'S FINGERPRINTS:

On 03/10 - 03/11/25, I spoke with Amanda Parker (Executive Advisor & Chief of Staff – Parker Hospitality) on the phone. In summary, Amanda confirmed that Bradley was fingerprinted on 03/10/25. I requested that she mail me the fingerprints cards so I could mail them to the ISP BOI. Amanda confirmed that Bradley was a Florida resident.

On 03/14/25, I received a FedEx package which contained Bradley's (four) fingerprint cards. On 03/17/24, I mailed two of the fingerprint cards to the ISP BOI (Sarah Davis) to be checked for criminal history.

The FBI fingerprint response revealed no prior arrest data, and the ISP BOI response had a result of no record on file.

On 03/28/25, I emailed the ISP Right of Access and Review Procedure form and the FBI Privacy Act Statement to Amanda Parker, to forward to Bradley for his records.

#### **RECORDS CHECKS:**

I conducted records checks on Bradley with the following results:

West Palm Beach Police Dept. (FL): No records exist.

Palm Beach County Sheriff's Office (FL): No arrest history / no records.

Kane County Sheriff's Office: No record.

Cook County Sheriff's Police: No criminal contact.

#### NEW WORLD / AEGIS LINK / CLEAR / TLOXP:

I conducted checks on Bradley in New World and Aegis Link with negative results.

I conducted a check on Bradley in CLEAR, which had the following results:

- (018661429) Role: Victim and Complainant. Per the report and in summary:
   After Bradley and his girlfriend exited a taxicab, a subject approached Bradley
   and began to talk to his girlfriend. Bradley told the subject to back off his
   girlfriend, and the subject struck Bradley above the right eye with a closed fist.
   The offender was arrested.
- There were three other cases listed; Bradley is listed as a witness in two of them and he is listed as a victim in the other.

Utilizing TLOxp, I had a comprehensive report completed on Bradley. Bankruptcy records, liens, property foreclosures, evictions, and global watch lists all had a result of none found.

There was one result for Possible Criminal Records:

- Crime Details: 12/23/2019 FL | Offense: DL not carried, exhibit on demand (Dismissed).
- Crime Details: 12/23/2019 FL | Offense: Unknowingly drive while license suspended, revoked (Dismissed).
- Crime Details: 12/23/2019 FL | Offense: Unlawful speed 70 interstate (Adjudication withheld).

There was one result for Judgements:

- Filing County: Cook, IL
- Plaintiff: Imagine Lifestyles LLC
- Creditor: Imagine Lifestyles LLC
- Court Case Number: 12M1501381

Total Judgment Amount: \$2,508,276

Recording Date: 04/12/2013

Utilizing TLOxp, I conducted a Real-time Incarcerations and Arrests search on Bradley, which yielded negative results. I also conducted a Driving Violations search which had four results. Three of the violations were previously listed in the Comprehensive Report, and the fourth was: Fail to obey traffic control device (sign) (Violation Date: 04/10/2021).

#### **GENERAL MANAGER:**

On 03/10/25, I met with Donald E. Walker III (DOB: \_\_\_\_\_\_) at the SCPD. Donald signed /initialed the required fingerprint forms (I provided him with photocopies of them). I photocopied Donald's driver's license and then fingerprinted him as a liquor license applicant.

The ISP BOI fingerprint response for Donald had a result of no record on file. The FBI fingerprint return had the following results (in summary):

- Arrested or received 2007/06/10 | Agency: Police Department Libertyville |
   Charge: Possession Liquor by minor (Charges not filed by states attorney).
- Arrested or received 2008/12/23 | Agency: Police Department Lindenhurst.
- Charge 1: Possession Liquor by Minor
- Charge 2: Possess Cannabis
- Charge 3: Possess Drug Paraphernalia
- Arrested or received 2009/11/22 | Agency: Police Department Grayslake |
   DUI/alcohol, Possess Drug Paraphernalia, Leave scene ACC vehicle damage.
- Arrested or received 2011/05/18 | Agency: SPOL Dist Des Plaines | Charges: Possess cannabis, manf/del cannabis 30-500 grams, possess drug paraphernalia (x2), possession controlled substance (x2).

Utilizing the Illinois.gov websites BASSET card lookup, I conducted a check on Donald. The result was for: "Donald Walker Iii" (expiration date: 12/31/2027).

On 04/16/25, I called and spoke with Donald Walker on the phone, and I learned the following information (in summary and not verbatim):

I asked Donald how long he has worked for Nisos Prime, and he said that it will be two years in June of 2025. Donald is the Brand Chef at the business. Prior to working at Nisos

Prime, Donald worked at Formento's (925 W. Randolph St., Chicago, IL) for about two years as the Executive Chef.

I inquired about Donald's 2007 arrest (Libertyville PD). Donald indicated that he thought it was an underage ticket for consuming alcohol. He advised that he thinks he was about 19 or 20 years old at the time.

I inquired about Donald's 2008 arrest (Lindenhurst PD). Donald indicated that he was caught drinking underage with a group of friends. He was arrested and was issued a ticket. He was also issued tickets for possession of cannabis and drug paraphernalia. According to Donald, there were no convictions from this incident.

I inquired about Donald's 2009 arrest (Grayslake PD). Donald advised that he was driving and got into an accident. Donald advised that he was driving very fast and there was a witness. He was charged with reckless driving and DUI. Donald advised that it was a long time ago and it got reduced to reckless driving. He advised that there're might have been a cannabis charge as well.

I inquired about Donald's 2011 arrest (SPOL Dist. Des Plaines). Donald indicated that he was driving on a suspended license; he thought the license was valid after the 2009 arrest but he was wrong. He advised that he had cannabis and a scale with him. Donald advised that he thinks he had an ounce of cannabis on him and the scale, so he was charged with manufacturing. I asked if he had anything else and he said no. I brought up the possession of controlled substance. Donald then said that he had prescription pills on him — which he thinks was Vicodin. Donald advised that he was prescribed Vicodin at the time, but there was no prescription label on the bottle. I asked Donald if he was a drug dealer at the time, and he said no. Donald stated that he went to court ordered rehab and as a result the charges were dismissed, and he was not convicted of anything. After this incident, Donald got his life together and he has not had issues since.

#### **BUSINESS ENTITY SEARCH:**

I utilized the ilsos.gov website's Business Entity Search to locate the Montauk Pickleball Club, LLC. The result showed that the entity status was active. The section for Managers listed Bradley Parker and Parker Restaurant Group, LLC.

I then located the Parker Restaurant Group, LLC, which its entity status is listed as active. Bradley Parker is listed as a manager, and the section for Assumed Name listed Parker Hospitality (Status: Active). I then located Parker Hospitality, which its entity status is listed as active.

#### PARKER HOSPITALITY

On the Parker Hospitality website (parkerhospitality.com), within the locations section it lists businesses in several states. Within Illinois, there are several businesses in Chicago and the suburbs. Checks were conducted on the businesses that were in the suburbs of Illinois:

- The Hampton Social Skokie (4999 Old Orchard Center, Skokie, IL).
  - On 04/14/25, I had phone contact with Assistant Corporate Counsel Avi Funk with the Village of Skokie. Avi indicated that there have been no issues at the business.
- The Hampton Social S. Barrington (100 W. Higgins Rd., S. Barrington, IL).
  - o On 04/15/25, I had phone contact with Sgt. Doyle #5 (SBPD), and he indicated that there were no liquor law violations at the business.
- The Hampton Social Burr Ridge (705 Village Center Dr., Burr Ridge, IL)
  - o Det. Sgt. Dony spoke with Sgt. Husarik (BRPD), and he said that Hampton Social has had zero liquor violations to date.

On 04/15/25, I had phone contact with Bradley Parker, and I learned the following information (in summary and not verbatim):

Donald Walker has worked at one of Bradley's other restaurants, Nisos Prime, (802 West Randolph St., Chicago, IL) for two years. Donald is an Executive Chef/Manager at the restaurant. Donald will be moving over to work at the new business in St. Charles. Bradley indicated that he has had no issues with Donald as an employee. Bradley informed me that the dba for Montauk Pickleball Club, LLC will be: Harbor House Paddle & Provisions.

#### **SITE VISIT:**

A site visit has not been conducted since the business is under construction.

This concludes this background investigation.

Respectfully Submitted,

Cmdr. Vicicondi #368

#### City of St. Charles, Illinois Liquor Control Commission CITY RETAIL LIQUOR DEALER LICENSE APPLICATION

incomplete applications will not be accepted.

Applications may be submitted to: 2 E. Main Street, St. Charles, IL 60174-1984

| Business Name   |           |              |
|---|-----------|--------------|
| APPLICATION CHECKLIST  Check items to confirm all are attached to this application  | Applicant | Office Use   |
| Application Fee of \$200 (5.08.070C) non-refundable (Sent via FedEX)  Non-refundable  | <b>✓</b>  | 6            |
| Completed Application for all questions applicable to your business.  | V         | \$           |
| Copy of Lease/Proof of Ownership  | V         | 10           |
| Copy of Dram Shop Insurance or a letter from insurance agent with a proposed quote.   | <b>V</b>  | 120          |
| Copy of Articles of Corporation, if applicable. (To be supplemented by 1/17/2025)   |           | 10/          |
| Completed B.A.S.S.E.T. (Beverage Alcohol Sellers & Servers Training) form — filled out for all employees. A copy of the B.A.S.S.E.T. certificate is only needed for each manager. It is the business establishment's responsibility to keep copies of all B.A.S.S.E.T. certificates on file for all of their employees.   | Ø         | M            |
| Copy of Site Plan for Establishment (Drawn to scale including the parking lot, patio and/or deck, outdoor seating).   | Ø         | 4            |
| Copy of Floor Plan for Establishment (Drawn to scale and must include the layout of the establishment with tables, chairs, aisles, displays, cash register, bar, and lounge area with dimensions, percentage, and square footage noted for each space). Be sure to also include all fixed objects, such as pool tables, bar stools, vending/amusement machines; as well as all exits. | Ø         | 4            |
| Copy of Business Plan, to include:  Hours of Operation  | Ø         | V            |
| <ul> <li>□ Copy of Menu</li> <li>□ Whether or not live music will be played at this establishment</li> <li>□ Will there be outdoor seating and/or outdoor designated smoking area</li> <li>□ Do not include a marketing or financial plan with this business plan</li> </ul>  | 1         |              |
| Are any building alterations planned for this site? If not sure, please contact Building & Code Enforcement at 630.377.4406 and/or Fire Prevention Bureau at 630.377.4458 to discuss whether or not a walk-thru and/or permit are necessary.  | Ø         |              |
| All managers have been fingerprinted who are employed by your establishment. When new management is hired, it is imperative you contact the Mayor's office to be fingerprinted so the City's business files are appropriately updated. (To follow)  | Ø         | 0/           |
| Alcohol Tex Acknowledgement and Business Information Sheet  | <b>7</b>  | V            |
| OFFICIAL USE ONLY   | 2223      | C Visited to |
| Signature of Investigating Officer  Badge Number & Rank  Approval NOT Recommended   | 368       | Det. Sg      |
| Approval Recommended* D Approval NOT Recommended  |           |              |
| Clarature of Chief of Police  |           |              |

\*ISSUANCE OF THIS LICENSE IS CONTINGENT ON MEETING ALL REQUIRED BUILDING AND FIRE DEPARTMENT REQUIREMENTS.



January 2, 2025

Re: St. Charles Liquor License Application

Montauk Pickleball Club LLC 100 N. Kirk Road, St. Charles, IL

To Whom It May Concern,

The above-referenced Liquor License Application was emailed to <a href="mailto:stclicensing@stcharlesil.gov">stclicensing@stcharlesil.gov</a> on today's date along with all required attachments. I have enclosed a check payable to the City of St. Charles in the amount of \$200 for the application fee. I have enclosed a copy of the application for reference. Please contact the undersigned with any questions about this matter

Sincerely,

Michael Fiorentino
General Counsel, Parker Hospitality
michael@parkerhospitality.com
(312) 505-2525

PARKER HOSPITALITY 1017 N. HOOKER ST. CHICAGO, IL 60642

|   |                                | Date Applica   | tion Received:                               |
|---|--------------------------------|--|--|
| LICENSE INFORMATION:  |                                |  |  |
| □A Package \$3200-3600  | □A1 □A2 □A                     | 4 □A5 □A6  |  |
| ■B Restaurant \$2400-360  | ∞ □B1 □B2 I                    | ■B3 □ Late Night Perm  | it 1:00am \$800 (B/C only)                   |
| □C Tavern \$2400-3600   |                                | □C1  | nit 2:00am \$2300 (B/C only)                 |
| □D Hotel/Banquet/Arcad  | Ja/Q-Center/Entertainment      | /Club - \$varies D-Type  |  |
| □G Brewery/Restaurant   | or Site License - Svaries [    | ⊃G1  |  |
| □H Catering License - \$va  | aries (                        | ⊃H1 □H2  |  |
|   |                                | 50% for annual renewals and licenses issurenewal application is required for the nex |  |
| APPLICANT INFORMATIO  | DM .                           |  |  |
| 1. Type of Business: 🔲 In   | dividual D Partnership         | ☐ Corporation ☐ Other (explain   | n): LLC                                      |
| 2. Business Name:<br>Montauk Pickleball Club,   | LLC (a Delaware limited        | d liability company)   |  |
| 3. Business Address:<br>100 N. Kirk Road, St. Ch  |                                |  |  |
| 4. Type of Business   | 5. Length of Time in this      | 6: Value of merchandise that norms   | illy will be in inventory when in            |
| (5.08.070-3):<br>Restaurant   | Business (5.08.070-4):         | operation (5.08.070-5): \$   |  |
| 7. Business Phone:  | 8. Business E-mail:            | 9. Business Website:   | 10: Illinois Tax ID Number:                  |
| 312-505-2525  | michael@parkerhospitality.com  | https://www.parkerhospitality.com/   | in-process                                   |
| 11. Applicant/Contact Person<br>Bradley Parker  | on Name:                       | 12. Title:<br>CEO/Owner  | 13. Email:<br>  brad@parkerhospitality.com   |
| 14. Applicant Home Addres   | s, and all addresses for the l | ast 10 years:  |  |
|   |                                |  |  |
| 15. Ph #:   | DL#:                           | 16. Date of Birth:   | 17. Birthplace:                              |
| 18. If Corporation, Corporat<br>Montauk Pickleball Club,<br>19. Corporation Address (cl | LLC an Delaware limite         | d liability company registered to  | do business in IL                            |
|   |                                | hicago, IL 60642   |  |
| 1017 14. 1100   | KOI Oli OOL, O                 | modgo, it oooth  |  |
| ADDITIONAL OWNERS, INV  | ESTORS (greater than 5% is     | nterest), and MANAGER INFORMATION  | νo   |
| Full Name, include middle i   | initial: Bradley Parker        | Title: CE  | O/Owner                                      |
| Birthdate: Birthpla   |                                | rer's License#:  | Home Phone:                                  |
| Chicag  | ( ) ( ) ( ) ( ) ( )            |  | The second second                            |
| Home Address, and all addr  | esses for the last 10 years:   |  | Email Address:<br>brad@parkerhospitality.com |
|   |                                |  | and a particular propriately south           |
|   |                                |  |  |

Title: General Manager (non-owner) Full Name, include middle initial: Donald E Walker III Home Phone: Birthdate: Birthplace: Driver's License#: Home Address, and all addresses for the last 10 years: Email Address: don.w@nisosprime.com Full Name, include middle initial: Title: Birthdate: Birthplace: Driver's License#: Home Phone: Email Address: Home Address, and all addresses for the last 10 years: BUSINESS ESTABLISHMENT LOCATION INFORMATION 1. Exact Street Address for liquor license: 2. # Parking 3. Outside Dining s.f. 4. Total Building s.f.: [17.20.020-R]: Spaces: 100 N. Kirk Road 20,000 546 10950 5. Total # Seats: 6. Live Entertainment Area s.f. [5.08.010-H]: 1104 7. Brief Business Plan description based on type of establishment listed above (5.08.070-6): See attached.

#### PROPOSED FLOOR PLAN/LAYOUT OF PROPERTY

Attach to this application a floorplan or layout of the proposed facility to include the following:

- Every application for Liquor license shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale showing the following:
  - a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;
  - b. The designated use of each room or segregated area (i.e. dining room, holding bar, service bar, kitchen, restrooms, outdoor seating areas, all rooms and segregated areas, including outdoor areas where alcoholic liquor may be served or consumed and all locations where live entertainment may be provided);
  - c. The proposed seating capacity of rooms or segregated areas where the public is permitted to consume food and/or alcoholic beverages and/or live entertainment may be provided.
- The site drawing is subject to the approval of the Local Liquor Control Commissioner. The Local Liquor Commissioner
  may impose such restrictions as he deems appropriate on any license by noting the same on the approved site
  drawing or as provided on the face of the license.
- 3. A copy of the approved site drawing shall be attached to the approved license and is made a part of said license.
- It shall be unlawful for any licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing.

THE FIRE PREVENTION BUREAU WILL FURNISH ALL FINAL, PERMITTED OCCUPANCY NUMBERS FOR THIS LICENSE.

| CORF | PORATION / PREMISES QUESTIONS  |           |
|------|--|-----------|
| 1.   | If applicant is an individual or partnership, is each and every person a United States citizen (5.08.070-2)? Yes Is any individual a naturalized citizen? Yes No If yes, print name(s), date(s), and place(s) of naturalization:   | □ No      |
| 2.   | Is the premises owned or leased (5.08.070-6A)?   Owned  Leased   |           |
| 3.   | If the premises are leased, list the names and addresses of all direct owners or owners of beneficial interests in if premises are held in trust (5.08.070-68):  Name of Building Owner:  FHS Piazza LLC  Address of Building Owner:  1307 Schiferi Road, Bartlett, IL  Mailing Address of Building Owner (if different):  |           |
|      | Name of Building Owner: Phone Number:  Address of Building Owner: E-mail Address:  |           |
|      | Mailing Address of Building Owner (if different):  |           |
|      | Name of Building Owner: Phone Number:  |           |
|      | Address of Building Owner: E-mail Address:  Mailing Address of Building Owner (if different):  |           |
| 4.   | Does the applicant currently operate, or operated in the past, any other establishment within the City of St. Cha  | rles that |
|      | requires a liquor license?   |           |
| 5.   | Does applicant have any outstanding debt with the City of St. Charles, including, but not limited to, utility bills, a and permit fees, for any current or previous establishment owned, operated or managed by the applicant?  Yes No  If yes, please note the City of St. Charles requires all debt to be paid in full before consideration of a new or reliquor license is issued. (5.08.050) | -61       |
| 6.   | Are any improvements planned for the building and/or site that will require a building permit?   Yes  No Date of permit application UNKNO  |           |
| 7.   | Has applicant applied for a similar or other license on the premises other than the one for which this license is s (5.08.070-7)?  Yes No If yes, what was the disposition of the application? Explain as necessary:   | ought     |
|      |  | #         |

| 8.  | Has applicant (and all persons listed on page 2 of this application) ever been convicted of a felony under any Federal or   |
|-----|---|
|     | State law, or convicted of a misdemeanor opposed to decency or morality (5.08.070-8)?   |
|     | Is applicant (and all persons listed on page 2 of this application) disqualified from receiving a liquor license by reason of any   |
|     | matter contained in Illinois State law and/or City of St. Charles Municipal Ordinances?   Yes No  |
| 9.  | List previous liquor licenses issued by any State Government or any subdivision thereof (5.06.070-9). Use additional paper if necessary.  |
|     | Government Unit: NONE Location, City/State:   |
|     | Date: Special Explanations:   |
|     | Government Unit: Location, City/State:  |
|     | Date: Special Explanations:   |
|     |   |
|     | Have any liquor licenses possessed ever been revoked (5.08.070-9)?  |
| 10. | If yes, list all reasons on a separate, signed letter accompanying this application.  |
| 10. | Has any director, officer, shareholder, or any of your managers, ever been denied liquor license from any jurisdiction?   |
|     | Yes No  If yes, proceed to Question 15. If more space is needed, please attach a separate sheet of paper with the information.  |
| 11. | Complete ONLY if yes was answered to the question above (10):   |
|     | Name: Name of Business:   |
|     | Position with the Business: Date(s) of Denial:  |
|     | Reason(s) for Denial of License:  |
| 12. | Date of Incorporation (Illinois Corporations) (5.08.070-10):  Delaware LLC  |
|     | Date qualified under Illinois Business Corporation Act to transact business in Illinois (Foreign Corporation): In-Process   |
| 13. | Has the applicant and all designated managers read and do they all understand and agree not to violate any laws of the United States, the State of Illinois, and any of the ordinances of the City of St. Charles in conducting business (5.08.070-11)? |
|     | ■ Yes □ No  |
|     | Have you, or in the case of a corporation, the local manager, or in the case of a partnership any of the partners, ever been  |
|     | convicted of any violation of any law pertaining to alcoholic liquor?   Yes No  |
|     | Have you, or in the case of a corporation the local manager, or in the case of a partnership any of the partners, ever been   |
|     | convicted of a felony?  |
|     | Have you ever been convicted of a gambling offense?   Yes No (If a partnership or corporation, include all partners and the local manager(s).)  |
|     | Will you and all your employees refuse to serve or sell alcoholic liquor to an intoxicated person or to a minor?  |
|     | ■ Yes □ No  |

| in interest of the            |   | or persons holding directly or beneficing<br>page 2 of this application must be finge |                           |
|-------------------------------|---|---|---------------------------|
| Has this been don             | e? Yes No   |   |                           |
| If yes, date(s):              |   |   |                           |
| 15. Has the applicant         | attached proof of Dram Shop Insurar   | ice to this application or already furnis   | hed it to the City of St. |
| Charles (5.08.060)?           | Yes 🗆 No  | If aiready furnished, date of deliver   | ry:                       |
|                               | s, their wives/husbands, or children;   | any church; school; hospital; home for<br>and/or any military or naval station (5.    |                           |
|                               | uired to have B.A.S.S.E.T training on itted to make alcoholic liquor sales. I | this page — include all managers, assis<br>nclude copies of certificates for mana     |                           |
| lame (First, Middle, Las      | t): Donald E Walker III   |   | Birthdate:                |
| iome Street Address, inc      |   |   |                           |
|                               |   |   |                           |
| Pate of Course:<br>12/31/2024 | Place Course was Taken:<br>Learn2Serve  | Certificate Granted? Y/N<br>Yes   | Expiration: 12/31/2027    |
| lame (First, Middle, Las      | t):   |   | Birthdate:                |
| lome Street Address, Inc      | cl City, State, Zip:  |   |                           |
| Pate of Course:               | Place Course was Taken:   | Certificate Granted? Y/N  | Expiration:               |
| lame (First, Middle, Las      | t):   |   | Birthdate:                |
| iome Street Address, Inc      | cl City, State, Zip:  |   |                           |
| Date of Course:               | Place Course was Taken:   | Certificate Granted? Y/N  | Expiration:               |
| lame (First, Middle, Las      | t):   | D.  | Birthdate:                |
| lome Street Address, In-      | cf City, State, Zip:  |   |                           |
| Date of Course:               | Place Course was Taken:   | Certificate Granted? Y/N  | Expiration:               |
| NEW MANAGEMENT RE             | OUIREMENTS  |   |                           |
|                               | shment's responsibility to keep copi  | e notified and that person must be fin<br>as of all B.A.S.S.E.T. certificates on file |                           |
| This location is still        | being built and we have not   | yet hired staff. Don Walker (I<br>ired employee as of the date                        |                           |

|             | iness Name:   |
|-------------|---|
| The same of | NATURES.  |
| ADI         | Applicant's Signature  scribed and sworn before me this 3rd day of January, 2025  MICHAEL FIORENTINO  (Seal) OFFICIAL SEAL  Notary Public - State of Illinois  My Commission Expires Jan 04, 2026  DENDUM TO RETAIL LIQUOR LICENSE APPLICATION                                  |
|             | be completed by the City of St. Charles Police Department   |
| Nan         | 032825 Bradley D. Parker  |
|             | MONTAUN FICHICIAN CIUBILL   |
|             | Montau K Pickleball (146,LLC  lress of Business: 100 N. Kirk Rd., St. Charles, L. Ward Number:  |
|             | tuant to the provision of the City of St. Charles Municipal Code, Chapter 5.08, Alcoholic Beverages, the following guide shall be<br>ffect for the Investigation of an applicant for a Retail Dealer's Liquor License:  |
| 1.          | Date on which applicant will begin selling retail alcoholic liquors at this location:   |
|             | February to March of 2026   |
| 2.          | Is the location within 100 feet of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands or children; or any military or naval station?  |
| 3.          | If the answer to question 2 is yes, answer the following: is applicant's place of business a hotel offering restaurant service, a regularly organized club, a restaurant, a food shop, or other place where the sale of alcoholic liquors is not the principal business?    Yes |
| 4.          | If premises for which an alcoholic liquor license is herein applied for are within 100 feet of a church, have such premises   |
|             | been licensed for the sale of alcoholic liquor at retail prior to the establishment of such church?   |
|             | If yes, have the premises been continuously operated and licensed for the sale of alcoholic liquor at retail since the original   |
| - 23        | alcoholic liquor license was issued therefore?   Yes  No  |

| 5.  | is the place for which the alcoholic liquor license is sought a dwelling house, flat, or apartment used for residential purposes?  |
|-----|--|
|     | □ Yes No   |
|     | Tres Mino  |
| 6.  | Is there any access leading from premises to any other portion of the same building or structure used for dwelling or lodging purposes and which is permitted to be used or kept accessible for use by the public? (Connection between premises and such other portion of building or structure as is used only by the applicant, his/her family and personal guests not |
|     | prohibited.)   |
|     | □ Yes ANO  |
| 7.  | If applicant conducts or will conduct in the same place any other class of business in addition to that of City Retailer of  |
|     | Alcoholic Liquor, state the kind and nature of such business:    Yes   No  |
| 8.  |  |
|     | natural light or artificial white light so that all parts of the interior shall be clearly visible? Yes  |
| 9.  | Are premises located in any building belonging to or under the control of the State of Illinois or any other political   |
|     | subdivision thereof, such as county, city, etc.?   |
| 10. | Are the premises for which license is herein applied for a store or place of business where the majority of customers are  |
|     | minors of school age or where the principal business transacted consists of school books, school supplies, food or drinks for  |
|     | such minors?   |
| 11. | It is required by the City of St. Charles that all employees undergo BASSET training. Provide a copy of the certificate of   |
|     | training completion for each manager. All certificates for managers have been submitted:   |
|     |  |
| 12. | From your observation and investigation, has applicant—to the best of your knowledge—truthfully answered all questions?  |
|     | ⊠yes □ No  |
|     | ¥es □ No  If no, state exceptions:   |
|     | in no, state exceptions.   |
|     |  |
|     | Have all persons named in this application been fingerprinted? Yes No  |
| 13. | Fingerprinted by: Vicicondi & Date: 03/10/25   |
|     |  |
| 14. | Pebble Beach Sheriff's Office (FL) (Processed through IL) Other necessary data:  |
| 14. | Other necessary data:  |
|     |  |
|     |  |
|     | <u> </u>   |

## City of St. Charles ALCOHOL TAX BUSINESS INFORMATION SHEET

As a new business serving or selling alcohol in the City of St. Charles, the following information must be provided to assist with the processing of your monthly Alcohol Tax returns.

#### **BUSINESS CONTACT INFORMATION**

Corporate name:

Montauk Pickleball Club, LLC

DBA: Montauk Pickleball Club

Phone: 847-525-8452 Fax:

E-mail: wes@parkerhospitality.com

Address: 1017 N. Hooker Street, Chicago, IL 60642

City: Chicago

State: IL

ZIP Code: 60642

Expected date of business opening (Required): July 25, 2026

#### TAX PREPARER INFORMATION

Name of Tax Preparer: Michael Silver & Company, LLC, Certified Public Accountants

9 Parkway North, Suite 300, Deerfield, IL 60015 - Jerry Murdick

Phone: 847-982-0333

Fax:

E-mail: jmurdick@michaelsilver.com

This completed form must be submitted with your liquor license application and "Acknowledgement of City Alcohol Tax" to the City of St. Charles Administration Office.

#### CITY OF ST. CHARLES

FINANCE DEPARTMENT TWO EAST MAIN STREET ST. CHARLES, ILLINOIS 60174-1984

PHONE: (630) 377-4429 FAX: (630) 377-4487



|      |   | ALCOHOL TAX RETURN   |                               |  | 1            |
|------|---|--|-------------------------------|--|--------------|
|      | Month Ending:   |  | ccount #:                     |  |              |
|      | Name of Business:   |  |                               |  |              |
|      | Due Dates: Jan: Due Feb 28<br>Feb: Due Mar 31<br>Mar: Due Apr 30<br>Apr: Due May 31 | May: Due Jun 30<br>Jun: Due Jul 31<br>Jul: Due Aug 31<br>Aug: Due Sep 30   | Oct: D<br>Nov: I              | Due Oct 31<br>Due Nov 30<br>Due Dec 31<br>Due Jan 31 |              |
|      |   | Computation of Tax:  |                               |  |              |
| 1.   | Gross Alcohol Sales   |  | 1.                            |  |              |
| 2.   | Amount of Tax<br>Multiply Line 1 by 3% (.03)  |  |                               |  |              |
| 3.   | DEDUCT Commission if Pa<br>Multiply line 2 by 1% (.01)                              | aid on Time  | 3                             |  | _            |
| 4.   | Amount of Tax Payable (Line 2 Less Line 3)  |  | 4                             |  | _            |
| 5.   | Penalty for Late Filing/Payr  | nent   | 5                             |  |              |
|      | 2nd late penalty: Mult  | iply Line 2 by 5% (.05) or \$50.00<br>iply Line 2 by 5% (.05) or \$100.00<br>iply Line 2 by 5% (.05) or \$150.00 | whichever le or               | onter  | 1            |
| 6.   | Interest for Late Filing Per Multiply Line 2 by 1.25% (.0125) x m                   | <b>Month</b>   |                               |  | <del>-</del> |
| 7.   | Tax, Penalties, Interest from   | Previous Months  | 7                             |  |              |
| 8.   | Amount Payable to City<br>(Add Lines 4 + 5 + 6 + 7)                                 |  |                               |  |              |
| 10   |   | All Figures Are Subject To   |                               |  |              |
| l he | reby affirm that the statements he<br>he above listed establishment and             | erein contained are taken from<br>I are correct to the best of my  | n the books and<br>knowledge. | d records  |              |
|      | Dated this de   | ay of  |                               |  | _            |
|      |   | <b>(</b>   |                               | (Year)   | _            |
| М    | Signature   |  |                               |  |              |
| **   | Print)  |  | Title                         |  | _            |
| Em   | all Address   |  | Phone #                       |  | _            |

This form may be duplicated by local establishments for tax payment purposes.

Revised 8/7/2018

#### ACKNOWLEDGEMENT OF ALCOHOL TAX

By signing below, I acknowledge that I have received the updated information on the City's alcohol tax. I understand that it is my responsibility to collect said tax on any alcohol sales effective immediately. It is also my responsibility to remit said taxes to the City by the due dates specified in the alcohol tax ordinance. I understand that any violation of the alcohol tax ordinance can result in the imposition of fines, penalties, or sanctions including suspension or revocation of the liquor license granted by the City of St. Charles. The tax rate on alcohol sales will be changed to 3% of the purchase price effective September 1, 2018. Please apply the tax at a rate of 3% on all alcohol sales at your establishment beginning on September 1, 2018.

| Name_Brace    | lley Parker                        |                            |
|---------------|------------------------------------|----------------------------|
| Title CEC     |                                    |                            |
| Business Name | Montauk Pickleball                 | Club LLC                   |
| Address       | . Hooker Street, Chicago, IL 60642 | brad@parkerhospitality con |
|               |                                    |                            |
|               | 120                                |                            |
|               |                                    | 1/2/202                    |

Date

Signature

Please return the signed acknowledgement form to the City of St. Charles Administration Office.



November 7, 2024

FHS Plaza LLC 1307 Schiferl Road Bartlett, Illinois 60103 Attn: Pat Greco

Re: Shopping Center Lease dated March 21, 2024 between FHS Piazza LLC ("Landlord"), and Montauk Pickleball Club, LLC ("Tenant") for the Leased Premises as defined therein.

#### Dear Landlord,

Reference is hereby made to the above-referenced Lease. All capitalized terms used in this letter agreement (the "Letter Agreement") and not otherwise defined shall be deemed to have the meaning set forth in the Lease. This Letter Agreement, when executed by all parties concerned, shall amend the above-referred Lease as follows:

- Section 6b(ii) is hereby stricken in its entirety and the following shall be inserted in lieu thereof:
  - "Tenant shall prepare the Design Plans and submit such Design Plans to Landlord for review on or before March 28, 2025."
- 2. Section 6(e) is hereby stricken in its entirety and the following shall be inserted in lieu thereof:

"Tenant shall apply for a liquor license for the Leased Premises (collectively, the "Required Permits") on or before January 5, 2025 and shall diligently pursue such Required Permits thereafter. Subject to Landlord's right to cure, as set forth herein, if Tenant fails, after timely applying for and diligently pursuing the Required Permits, to obtain the Required Permits on or before April 25, 2025 (the "Approval Period"), Tenant may terminate this Lease and Tenant's obligation hereunder by delivery of written notice delivered to Landlord on or before the last day of the Approval Period detailing the Required Permits which Tenant was unable to obtain, which notice shall not be effective until thirty (30) days after the expiration of the Approval Period. Landlord, at its option,

PARKER HOSPITALITY 1017 N. HOOKER ST. CHICAGO, IL 60642 shall have thirty (30) days after receipt of such termination notice to attempt to obtain the Required Permits on Tenant's behalf (the "Landlord's Cure Period") and Tenant shall cooperate with Landlord and promptly deliver to Landlord any and all information necessary for Landlord to obtain the Required Permits. If Landlord obtains the Required Permits on or before the last day of Landlord's Cure Period, Tenant's notice of termination shall be automatically revoked and this Lease shall continue in full force and effect. If the Required Permits have not been issued on or before the last day of Landlord's Cure Period, this Lease shall automatically become null and void and neither Landlord nor Tenant shall have any further right, duty or obligation hereunder, except that Tenant shall, at Tenant's sole cost and expense, promptly remove any and all improvements to the Leased Premises performed by Tenant. In the event that Tenant fails, for any reason, to timely deliver the notices required under this paragraph, Tenant shall be deemed to have waived its right to terminate this Lease as provided in this Paragraph 6, and this Lease shall continue in full force and effect.

- Except as specifically provided in this Letter Agreement, the provisions of the Lease shall remain unchanged and in full force and effect. In the event of a conflict between the Lease and this Letter Agreement, this Letter Agreement shall control.
- 4. This Letter Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree that signatures transmitted electronically (including by PDF or a secure electronic signature platform) shall be valid and binding for all purposes as if they were original signatures. The parties further agree that the execution of this Letter Agreement by such electronic means shall have the same legal effect as manual execution.

Please execute a copy of this Letter Agreement confirming your agreement and return it to us.

Sincerely,

Michael Fiorentino General Counsel, Parker Hospitality Operator of "The Hampton Social"

[SIGNATURE PAGE ATTACED]

2

PARKER HOSPITALITY 1017 N. HOOKER ST. CHICAGO, IL 60642



## **Business Entity Search**

#### **Entity Information**

| Entity<br>Name                  | PARKER RESTAURANT GRO  | OUP LLC                  |                      |
|---------------------------------|--|--------------------------|----------------------|
| Principal<br>Address            | 2017 IMPERIAL GOLF COUR<br>NAPLES,FL 341100000                                   | SE BLVD                  |                      |
| File<br>Number                  | 14196374   | Status                   | ACTIVE on 04-15-2025 |
| Entity Type                     | LLC  | Type of LLC              | Foreign              |
| Org.<br>Date/Admissi<br>Date    | <b>on</b> 04-12-2024   | Jurisdiction             | FL                   |
| Duration                        | PERPETUAL  |                          |                      |
| Annual<br>Report<br>Filing Date | 04-15-2025   | Annual<br>Report<br>Year | 2025                 |
| Agent<br>Information            | FILEJET LLC<br>444 N. MICHIGAN AVE.<br>SUITE #1200-162<br>CHICAGO, IL 60611-3903 | Agent<br>Change<br>Date  | 04-12-2024           |

#### Services and More Information

Choose a tab below to view services available to this business and more information about this business.

Status † Assumed Name

ACTIVE PARKER HOSPITALITY

Purchase Certificate of Good Standing

Showing 1 to 1 of 1 entries

Previous

1

Next



## **Business Entity Search**

#### **Entity Information**

| Entity<br>Name               | MONTAUK PICKLEBALL CL                      | UB, LLC      |                      |
|------------------------------|--|--------------|----------------------|
| Principal<br>Address         | 1017 N HOOKER ST.,<br>CHICAGO,IL 606420000 |              |                      |
| File<br>Number               | 15568658                                   | Status       | ACTIVE on 01-15-2025 |
| Entity Type                  | LLC  | Type of LLC  | Foreign              |
| Org.<br>Date/Admissi<br>Date | ion01-15-2025                              | Jurisdiction | DE                   |
| Duration                     | PERPETUAL                                  |              |                      |

| Duration    | PERPETUAL             |        |            |
|-------------|-----------------------|--------|------------|
| Annual      |                       | Annual |            |
| Report      | 00-00-0000            | Report |            |
| Filing Date |                       | Year   |            |
| Agent       | FILEJET LLC           | Agent  | 01-15-2025 |
| Information | 444 N. MICHIGAN AVE., | Change |            |
|             | STE 1200-162          | Date   |            |
|             | CHICAGO, IL 60611     |        |            |

#### Services and More Information

Choose a tab below to view services available to this business and more information about this business.

Status ↑ Assumed Name

ACTIVE HARBOR HOUSE PADDLE & Purchase Certificate of Good Standing PROVISIONS

Showing 1 to 1 of 1 entries

Previous 1 Next



# **Business Entity Search**

### **Entity Information**

| Entity<br>Name                  | MONTAUK PICKLEBALL CLUB, LLC                         |                          |                      |
|---------------------------------|--|--------------------------|----------------------|
| Principal<br>Address            | 1017 N HOOKER ST.,<br>CHICAGO,IL 606420000           |                          |                      |
| File<br>Number                  | 15568658   | Status                   | ACTIVE on 01-15-2025 |
| Entity Type                     | LLC  | Type of LLC              | Foreign              |
| Org.<br>Date/Admissi<br>Date    | on01-15-2025   | Jurisdiction             | DE                   |
| Duration                        | PERPETUAL  |                          |                      |
| Annual<br>Report<br>Filing Date | 00-00-0000   | Annual<br>Report<br>Year |                      |
| Agent<br>Information            | FILEJET LLC<br>444 N. MICHIGAN AVE.,<br>STE 1200-162 | Agent<br>Change<br>Date  | 01-15-2025           |

CHICAGO, IL 60611

### Services and More Information

Choose a tab below to view services available to this business and more information about this business.

| Managers                        | Address                                   | ļ |
|---------------------------------|---|---|
| BRADLEY PARKER                  | 1017 N HOOKER ST<br>CHICAGO, IL 606420000 |   |
| PARKER RESTAURANT<br>GROUP, LLC | 1017 N HOOKER ST<br>CHICAGO, IL 606420000 |   |

Showing 1 to 2 of 2 entries

Previous 1



# **Business Entity Search**

### **Entity Information**

| Entity<br>Name                  | PARKER RESTAURANT GROUP LLC  |                          |                      |
|---------------------------------|--|--------------------------|----------------------|
| Principal<br>Address            | 2017 IMPERIAL GOLF COURSE BLVD<br>NAPLES,FL 341100000                            |                          |                      |
| File<br>Number                  | 14196374   | Status                   | ACTIVE on 04-15-2025 |
| Entity Type                     | LLC  | Type of LLC              | Foreign              |
| Org.<br>Date/Admissi<br>Date    | <b>on</b> 04-12-2024   | Jurisdiction             | FL                   |
| Duration                        | PERPETUAL  |                          |                      |
| Annual<br>Report<br>Filing Date | 04-15-2025   | Annual<br>Report<br>Year | 2025                 |
| Agent<br>Information            | FILEJET LLC<br>444 N. MICHIGAN AVE.<br>SUITE #1200-162<br>CHICAGO, IL 60611-3903 | Agent<br>Change<br>Date  | 04-12-2024           |

### Services and More Information

Choose a tab below to view services available to this business and more information about this business.

Status ↑ Assumed Name

ACTIVE PARKER HOSPITALITY

Purchase Certificate of Good Standing

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# **Business Entity Search**

### **Entity Information**

| Entity<br>Name                  | PARKER RESTAURANT GROUP LLC  |                          |                      |
|---------------------------------|--|--------------------------|----------------------|
| Principal<br>Address            | 2017 IMPERIAL GOLF COURSE BLVD<br>NAPLES,FL 341100000                            |                          |                      |
| File<br>Number                  | 14196374   | Status                   | ACTIVE on 04-15-2025 |
| Entity Type                     | LLC  | Type of LLC              | Foreign              |
| Org.<br>Date/Admissi<br>Date    | <b>on</b> 04-12-2024   | Jurisdiction             | FL                   |
| Duration                        | PERPETUAL  |                          |                      |
| Annual<br>Report<br>Filing Date | 04-15-2025   | Annual<br>Report<br>Year | 2025                 |
| Agent<br>Information            | FILEJET LLC<br>444 N. MICHIGAN AVE.<br>SUITE #1200-162<br>CHICAGO, IL 60611-3903 | Agent<br>Change<br>Date  | 04-12-2024           |

### Services and More Information

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**Status** 

Series Name

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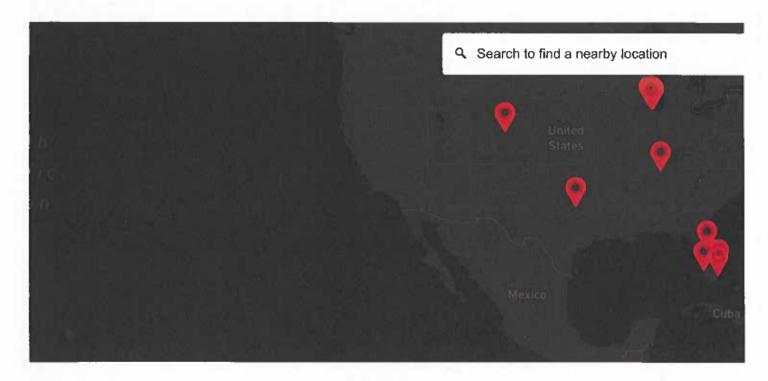
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## Florida

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40 NE 7th Ave. Delray Beach, FL 33483

Visit Site

### THE HAMPTON SOCIAL - MIAMI

900 S Miami Avenue, Suite 220 Miami, FL 33130

Visit Site

### THE HAMPTON SOCIAL - NAPLES

9114 Strada Pl. Naples, FL

Visit Site

### THE HAMPTON SOCIAL = ORLANDO

9101 International Dr Orlando, FL

Visit Site

Illinois

### THE HAMPTON SOCIAL -BURR RIDGE

705 Village Center Dr.

Burr ridge, IL

Visit Site

### THE HAMPTON SOCIAL - CHICAGO, RIVER NORTH

353 W. Hubbard St Chicago, IL

Visit Site

### THE HAMPTON SOCIAL - CHICAGO, STREETERVILLE

164 E. Grand Ave. Chicago, IL

Visit Site

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4999 Old Orchard Center

Skokie, IL

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## THE HAMPTON SOCIAL - S. BARRINGTON

100 W. Higgins Rd.

S Barrington, IL

Visit Site

BASSMENT CHICAGO 353 W HUBBARD LOWER LEVEL Chicago, IL

Visit Site

#### NISOS PRIME

802 West Randolph St. Chicago, IL 60607

Visit Site

#### COSTERA COCINA TULUM

850 W. Fulton Market Chicago, IL 60607

Visit Site

THE HAMPTON SOCIAL -O'HARE INTERNATIONAL AIRPORT - TERMINAL 5

> 10000 W Balmoral Ave Chicago, IL 60666

### **Tennessee**

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### Texas

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### SHOPPING CENTER LEASE

between

FHS PIAZZA LLC, a Delaware limited liability company,

Landlord

and

MONTAUK PICKLEBALL CLUB, LLC a Delaware limited liability company,

Tenant

### AGREED AND ACCEPTED

LANDLORD:

FHS PIAZZA LLC, a Delaware limited liability company

By: Pat Greco, Authorized Signatory

Date: 12/4/2024 , 2024

TENANT:

MOUNTAUK PICKLEBALL CLUB, LLC

a(n) Delaware limited liability company

By: Bradley Parker

Its: Manager

Date: 12/3/2024 , 2024

3

PARKER HOSPITALITY 1017 N. HOOKER ST. CHICAGO, IL 60642

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|     | Exhibit I:                   | Copy of COREA                          |    |
|     | Exhibit J:                   | Tenant Estoppel Certificate            |    |

Exhibit K:

Sales Tax Reporting

#### SHOPPING CENTER LEASE

- 1. <u>Date and Parties</u>. This Lease is made on the 21st day of March, 2024, by and between FHS PIAZZA LLC, a Delaware limited liability company ("Landlord"), and MONTAUK PICKLEBALL CLUB, LLC, a Delaware limited liability company ("Tenant").
- 2. <u>List of Exhibits</u>. The following exhibits attached to this Lease are incorporated by reference herein and are construed to be a part hereof:

Exhibit A: Shopping Center Site Plan

Exhibit A-1: Legal Description of Building Area

Exhibit B: Legal Description of Shopping Center

Exhibit C: Legal Description of Landlord's Parcel

Exhibit D: Intentionally Omitted

Exhibit E: Description of Tenant's Work

Exhibit F: Description of Landlord's Work

Exhibit F-1: Staging Area

Exhibit G: Rules and Regulations

Exhibit H: Guaranty

Exhibit I: Copy of COREA

Exhibit J: Tenant Estoppel Certificate

Exhibit K: Sales Tax Reporting

### 3. Leased Premises Defined.

a. Generally. Subject to the terms and conditions set forth in this Lease, Landlord hereby leases to Tenant and Tenant hereby rents from Landlord that certain space ("Building Area"), on which Tenant shall construct a two (2) story building containing approximately twenty thousand (20,000) rentable square feet of ground floor area (the "Building"). Such Building to be constructed by Tenant on the Lot shall hereinafter be referred to collectively as the "Leased Premises." All exterior and roof top patios will be considered part of the Leased Premises, but will not be calculated into the size of the Leased Premises for the purposes of calculating Minimum Rent.

The approximate location of the Leased Premises is cross-hatched and outlined in red on Exhibit A attached hereto and shall be legally described as set forth on Exhibit A-1, which Exhibit A-1 shall be completed and attached to this Lease in accordance with Section 3(c) below. The entire tract of land outlined in yellow on Exhibit A and of which the Leased Premises are a part is legally described on Exhibit B attached hereto; such entire tract of land, any additions thereto and all improvements existing or constructed thereon are hereinafter referred to as the "Shopping Center," are located at the northeast corner of Kirk Road and Farrell Road, St. Charles, Illinois. The portion of the Shopping Center to be owned by Landlord is outlined in green on Exhibit A and is legally described on Exhibit C attached hereto and is hereinafter referred to as "Landlord's Parcel." Tenant acknowledges that portions of the Shopping Center

are owned by parties other than Landlord, although the Shopping Center is managed and operated as a single unit pursuant to a certain Construction, Operation and Reciprocal Easement Agreement, dated as of August 5, 1998 and recorded September 11, 1998 as Document 98K082487 with the Recorder's Office of Kane County, Illinois, made by and among H.P. Kirk Partners, L.L.C., an Illinois limited liability company, Inland Real Estate Corporation, a Maryland corporation, and West Suburban Bank, an Illinois corporation, not individually but as Trustee under Trust Agreement dated July 24, 1998 and known as Trust No. 10755, and H.P. Kirk Partners II, L.L.C., an Illinois limited liability company (collectively, the "COREA"). A copy of the COREA is attached to this Lease as Exhibit I. Tenant agrees that Landlord shall have the sole right and authority to make changes to the COREA, in Landlord's sole discretion, and Tenant shall abide by such changed COREA, but in no event shall any of Landlord's changes alter Tenant's right to use the Premises for the Permitted Use (as defined in Paragraph 14(a)), or otherwise materially or adversely interfere with Tenant's use and enjoyment of the Premises.

b. Landlord Contingency. Tenant acknowledges that Landlord does not own fee title to Landlord's Parcel and Landlord, or its affiliate, is the contract purchaser of the Landlord's Parcel, pursuant to a certain Purchase and Sale Agreement, dated as of November 17, 2023, as amended. In the event Landlord fails, for any reason, on or before October 1, 2024, (i) to acquire fee simple title to Landlord's Parcel or (ii) to obtain all necessary approvals and permits from all governmental authorities and/or private parties for the construction, lease and operation of the Leased Premises for the Permitted Use (collectively, the Approvals"), Landlord shall have the right to terminate this Lease upon delivery of written notice to Tenant. In the event Landlord exercises its right of termination, as set forth in the preceding sentence, this Lease shall terminate and be of no further force or effect.

If this Lease is terminated for failure of Landlord to acquire fee simple title to the Leased Premise and Landlord, at any time during the eighteen (18) months immediately following such termination, acquires fee simple title to the Landlord's Parcel, Landlord shall send Tenant notice of same and Tenant shall have the right, to be exercised within thirty (30) days after receipt of Landlord's notice together with reasonable details as to the improvements Landlord intends to construct, to reinstate this Lease with respect to the Leased Premises, upon all of the same terms and conditions set forth herein. The provisions of this Section 3(b) shall survive any termination of this Lease by Landlord pursuant to the contingency set forth herein.

- c. <u>Legal Description</u>. Upon Landlord's receipt of all Approvals, Landlord shall have a legal description prepared of the Building Area. Upon delivery of such legal description by Tenant, such legal description shall be deemed attached to this Lease as <u>Exhibit A-1</u> and incorporated herein by reference.
- d. <u>Verification of Rentable Square Feet of Premises and Building</u>. For purposes of this Lease, "rentable square feet" shall be calculated pursuant to Standard Method of Measuring Floor Area in Retail Properties, ANSI/BOMA Z65.5—2020, and its accompanying guidelines, as applicable to retail properties (collectively, "BOMA"). Within thirty (30) days after the Term Commencement Date, Landlord and Tenant may elect to engage a mutually agreeable third-party space measurement professional, at Landlord's expense, to field measure the rentable and usable square feet of the Premises, and to certify the number of rentable and usable square feet of the Premises to Landlord and Tenant. Such third-party independent measurement professional's determination shall be conclusive and binding on Landlord and Tenant. If Rent (as defined in

Section 9) commences prior to such final determination, 20,000 shall be utilized as the measurement of rentable square feet until a final determination is made, whereupon an appropriate adjustment, if necessary, shall be made retroactively, and Landlord shall make appropriate payment (if applicable) to Tenant; provided, however, in no event shall the rentable square feet of the Leased Premises be deemed to be less than 20,000 rentable square feet for purposes of this Lease.

Lease Term/Minimum Rent Commencement/Rent Defined. The term of this Lease ("Lease Term") shall commence on the earlier of (a) fifteen (15) months after the later to occur of (i) the Initial Possession Date (defined in Paragraph 5(b) of this Lease) and (ii) subject to Tenant's compliance with Paragraph 6(b) below regarding the application and pursuit of Tenant's Building Permits (as defined below), Tenant's receipt of Building Permits, or (b) the first date on which Tenant opens for business to the public in the Leased Premises, such earlier date hereinafter referred to as the "Term Commencement Date." The obligation of Tenant to pay Minimum Rent (as defined in Paragraph 8 of this Lease) and Tenant's obligation to pay its Pro Rata Share (as defined in Paragraph 17 of this Lease) of Real Estate Taxes (as defined in Paragraph 17 of this Lease), Insurance Payments (as defined in Paragraph 18 of this Lease) and Common Area Charges (as defined in Paragraph 19 of this Lease) shall commence and accrue as of and on the Term Commencement Date, it being understood that, all other obligations and liabilities imposed on Tenant under this Lease shall also commence on the Initial Possession Date. The term of this Lease shall end on the last day of the tenth (10th) consecutive Lease Year (as that term is defined in Paragraph 7 of this Lease) following the Term Commencement Date, hereinafter referred to as the "Lease Expiration Date," unless terminated sooner as provided in this Lease or as extended pursuant to Paragraph 12 below. For all purposes under this Lease, "Rent" shall be deemed to mean, on a collective basis, Minimum Rent, Tenant's Pro Rata Share of Real Estate Taxes, Insurance Payments and Common Area Charges, and any and all other sums or payments, of any nature whatsoever, due from Tenant to Landlord under the terms of this Lease. Provided Tenant is not in default of this Lease beyond all applicable notice and cure periods, Minimum Rent shall abate for the first two (2) months following the Term Commencement Date.

### 5. Occupancy/Delivery of Possession.

- a. Generally. Landlord agrees that it shall use reasonable efforts to complete the work set forth on Exhibit F attached hereto and incorporated herein by reference (collectively, the "Landlord's Work"). The Landlord's Work shall be completed in three (3) phases as follows: (i) the first phase shall consist of the work set forth in Section 2 of Exhibit F (the "Initial Landlord's Work"), (ii) the second phase shall consist of the work set forth in Section 3 of Exhibit F (the "Landlord's Utility Work") and (iii) the third phase shall consist of the work set forth in Section 4 of Exhibit F (the "Final Landlord's Work"). In the event of a dispute regarding the substantial completion of any portion of Landlord's Work, Landlord's architect shall have sole responsibility for determining when such phase of Landlord's Work is substantially completed.
- b. <u>Initial Possession Date</u>. Landlord shall deliver possession of the Building Area to Tenant upon completion of the Initial Landlord's Work, provided that Tenant shall not be obligated to accept possession of the Building Area sooner than ninety (90) days after Landlord delivers written notice to Tenant that the Initial Landlord's Work shall be substantially

complete (the "Initial Possession Date"). For all purposes of this Paragraph 5, Landlord shall be deemed to have "delivered possession" when Landlord has substantially completed the Initial Landlord's Work. Although the Initial Possession Date shall have occurred, Landlord shall not be required to deliver actual possession of the Building Area to Tenant unless and until Tenant has delivered to Landlord the certificate of insurance as required pursuant to Paragraph 28 of this Lease and the Estoppel Certificate described in this Paragraph 5. It is further understood and agreed that, as of 12:01 a.m. on the Initial Possession Date, and continuing throughout the Lease Term, the Tenant shall comply with, and perform, on a timely basis, all of the obligations and liabilities imposed on Tenant under the terms of this Lease, whether of a monetary or a nonmonetary nature; provided, however, that Tenant shall not be obligated to pay Rent for the period of time commencing on the Initial Possession Date and continuing to, but not inclusive of, the Term Commencement Date. Concurrently with Tenant's acceptance of the Building Area, Tenant shall execute and deliver to Landlord an Estoppel Certificate, in the form attached to this Lease as Exhibit K and completed with all relevant dates based upon the terms and provisions of this Lease.

- b. <u>Landlord's Utility Work</u>. Landlord shall complete Landlord's Utility Work within twelve (12) months after the Initial Possession Date, subject to delays based on the availability and scheduling of such utility installation or delivery by all applicable governmental authorities and/or utility providers (the "Utility Possession Date").
- c. <u>Final Possession Date</u>. Landlord shall complete the Final Landlord's Work no later than sixty (60) days prior to Tenant's opening for business in the Leased Premises or as soon thereafter as weather reasonably permits, asphalt plants are open for the season, all fences, materials, equipment and other obstructions which may interfere or hinder Landlord's ability to complete such work have been removed by Tenant and Landlord's landscaper believes the landscaping work can be done so as to minimize any loss of plantings due to freezing temperatures or similar weather events (the "Final Possession Date"). In the event the Final Landlord's Work is not completed within the timeframe set forth in this Section 5(c) and Tenant is unable to open for business in the Leased Premises solely due to the failure of such Final Landlord's Work to be completed, Tenant shall receive one (1) free day of Rent abatement for each day after which Tenant was ready to open for business until the date on which Final Landlord's Work is completed.

#### 6. Performance of Tenant's Work.

a. <u>Generally</u>. Tenant shall be obligated to construct the Building in accordance with all applicable building codes and ordinances, the work set forth on <u>Exhibit E</u> attached hereto and incorporated herein by reference and the Design Plans approved by Landlord pursuant to this Section 6 (collectively, "Tenant's Work").

#### b. Design Plans.

(i) The term "Design Plans" shall mean and include architectural drawings which identify (A) the exterior appearance, size and configuration of the Building, (B) the roof, walls and structural components of the Building, (C) the location of entrances and loading areas and (D) such other plans as Landlord may reasonably require.

- (ii) Tenant shall prepare the Design Plans and submit such Design Plans to Landlord for review on or before the date that is sixty (60) days after Landlord's delivery to Tenant of all plans and reports set forth in Section 1 of Exhibit F attached hereto.
- (ii) Landlord shall have thirty (30) days from receipt of the Design Plans from Tenant to review, approve or reject the same. If Landlord does not respond within thirty (30) days after receipt of the Design Plans, Landlord shall be deemed to have approved the Design Plans. If Landlord timely raises an objection to the Design Plans, Landlord and Tenant shall negotiate in good faith and work diligently to resolve any comments.
- (iii) Tenant shall apply for all building permits and approvals necessary to construct the Building (collectively, the "Building Permits") within seven (7) days after Landlord approves Tenant's Design Plans and shall diligently pursue issuance of such permits thereafter. Tenant shall promptly respond to all comments from the City and keep Landlord apprised as to the status of such Building Permits. Tenant shall be deemed to have received the Building Permits for purposes of this Lease when such Building Permits are ready for Tenant, pending receipt of any fees or amounts due.
- (iv) Tenant shall warrant and guarantee Tenant's Work (as hereinafter defined) against defective workmanship and material for a period of one (1) year from the date of substantial completion of Tenant's Work. Tenant hereby assigns and transfers to Landlord (such assignment to be nonexclusive and coextensive with the rights of Tenant) the benefit of any and all assignable warranties and guarantees received by or given to Tenant by any architect, contractor, subcontractor, material supplier, equipment supplier or any other individual or entity which provided goods or services to Tenant in connection with Tenant's Work. Without limiting the generality of the foregoing, Tenant shall obtain the warranties described in <a href="Exhibit E">Exhibit E</a>. Tenant hereby agrees to cooperate with Landlord to the extent necessary to enable Landlord to enforce any such warranty or guarantee assigned to Landlord hereunder.
- c. <u>Selection</u>. Tenant shall have the right to install within the Building all trade fixtures and equipment which Tenant, in its sole discretion, may deem necessary or desirable. Tenant shall obtain Landlord's prior written consent, which consent shall not be unreasonably withheld, prior to selecting all personnel, labor, materials, equipment, services, utilities and other elements, enter into contracts therefor and determine and do any and all matters and things which Tenant shall deem necessary or advisable in connection with the construction and fixturing of the Building and related improvements.
- d. <u>Budget</u>. No later than thirty (30) days after Landlord approves Tenant's Design Plans, Tenant shall select a general contractor. Within forty-five (45) days after selection of Tenant's general contractor, but in no event later than seventy-five (75) days after Landlord approves Tenant's Design Plans, Tenant shall provide Landlord with a detailed budget ("Budget") of all costs required in order to construct the Building and open for business. Landlord shall have thirty (30) days from receipt of the Budget from Tenant to review, approve or reject the same. If Landlord does not respond within thirty (30) days after receipt of the Budget and such Budget exceeds the amount of the Landlord Contribution set forth below, such

Budget shall be deemed rejected. If Landlord timely raises an objection to the Design Plans or is deemed to have rejected the Budget, Landlord and Tenant shall negotiate in good faith to resolve any disagreement.

- d. <u>Performance</u>. Commencing on the Initial Possession Date, Tenant shall expeditiously commence, perform and diligently complete Tenant's Work, together with and all other work required for Tenant to complete the construction of the Building and open for business which is not expressly included on <u>Exhibit F</u> (collectively, "Tenant's Work"). Tenant shall complete Tenant's Work no later than fifteen (15) months after the Initial Possession Date and receipt of Building Permits. In the event that Tenant fails to timely satisfy its obligations as described on <u>Exhibit E</u>, such failure shall be deemed to constitute a default under this Lease and, in addition to any and all other remedies available to Landlord under this Lease, Landlord shall have the right to terminate this Lease.
- Tenant shall apply for a liquor license for the Leased Liquor License. Premises (collectively, the "Required Permits") within thirty (30) days after Landlord's approval of Tenant's Design Plans and shall diligently pursue such Required Permits thereafter. Subject to Landlord's right to cure, as set forth herein, if Tenant fails, after timely applying for and diligently pursuing the Required Permits, to obtain the Required Permits on or before that date which is the later of (i) one hundred twenty (120) days after full execution of this Lease or (ii) 120 days after Landlord acquires fee title to Landlord's parcel (the "Approval Period"), Tenant may terminate this Lease and Tenant's obligation hereunder by delivery of written notice delivered to Landlord on or before the last day of the Approval Period detailing the Required Permits which Tenant was unable to obtain, which notice shall not be effective until thirty (30) days after the expiration of the Approval Period. Landlord, at its option, shall have thirty (30) days after receipt of such termination notice to attempt to obtain the Required Permits on Tenant's behalf (the "Landlord's Cure Period") and Tenant shall cooperate with Landlord and promptly deliver to Landlord any and all information necessary for Landlord to obtain the Required Permits. If Landlord obtains the Required Permits on or before the last day of Landlord's Cure Period, Tenant's notice of termination shall be automatically revoked and this Lease shall continue in full force and effect. If the Required Permits have not been issued on or before the last day of Landlord's Cure Period, this Lease shall automatically become null and void and neither Landlord nor Tenant shall have any further right, duty or obligation hereunder, except that Tenant shall, at Tenant's sole cost and expense, promptly remove any and all improvements to the Leased Premises performed by Tenant. In the event that Tenant fails, for any reason, to timely deliver the notices required under this paragraph, Tenant shall be deemed to have waived its right to terminate this Lease as provided in this Paragraph 6, and this Lease shall continue in full force and effect.
- f. Failure to Approve. In the event Landlord and Tenant fail to agree upon Tenant's Design Plans and/or the Budget within thirty (30) days after Landlord's receipt of the same from Tenant, Landlord shall have the right to terminate this Lease upon delivery of written notice to Tenant, in which event this Lease shall be null and void and of no further force or effect.
- f. <u>Landlord Contribution</u>. Provided that Tenant is not in default under this Lease and all sums payable by Tenant under this Lease are current, Landlord shall pay to Tenant

the sum of \$5,200,000.00 (\$260/psf of ground floor area) (the "Landlord Contribution"). The Landlord Contribution shall be payable in monthly installments, as follows:

- (i) Tenant shall establish a construction escrow with the Geneva office of Chicago Title Insurance Company to review all lien waivers and process monthly construction draws;
- (ii) Tenant shall comply with all requirements of Landlord's lender with respect to the draws and payment hereunder;
- (iii) no earlier than the twentieth (20th) day of each calendar month, Tenant shall submit a draw request which shall consist of a sworn certificate of an authorized officer of Tenant certifying the percentage of Tenant's Work that will be complete by the end of such calendar month, which certification shall be made in accordance with the Budget. All such draws shall remain in balance with the Budget;
- (iii) if requested by Landlord's mortgagee, Tenant's draw request shall be accompanied by an undertaking executed by Tenant and in the form required by Chicago Title Insurance Company with respect to mechanic's liens or possible mechanic's liens arising out of Tenant's Work; and
- (iii) within thirty (30) days after Landlord's receipt of Tenant's draw request and provided Tenant is not then in default under this Lease, subject to Section 6(c)(iv) Landlord shall pay to Tenant an amount equal to:
  - (A) the product of the Landlord Contribution multiplied by the percentage of completion of Tenant's Work, as set forth in the certificate delivered by Tenant pursuant to (a) above; less
  - (B) amounts previously paid by Landlord to Tenant on account of the Landlord Contribution.

Notwithstanding anything contained herein to the contrary or in conflict, the parties acknowledge that the Landlord Contribution is an estimate of the costs to construct the Building. In the event the total cost of the Budget or Tenant's Work exceeds \$5,200,000.00, Tenant shall pay the overage at its sole cost and expense prior to Landlord's obligation to fund any portion of the Landlord Contribution as provided below. In the event the Budget reflects a total project cost of more than the Landlord Contribution to complete the Building and open for business, the difference between the Budget and the Landlord Contribution shall first be paid by Tenant before Landlord is obligated to fund any portion of the Landlord Contribution, but excluding the soft costs described below which Landlord shall be obligated to pay pursuant to subsection (v) below, such that the construction costs always remain in balance with the percentage of completion. In addition, Landlord shall require that Tenant retain ten percent (10%) from each draw request by Tenant to ensure full performance of Tenant's construction obligations hereunder, and such retainage shall be maintained in a separate non-interest bearing account to be included with the final draw payment presuming Tenant has fully performed its obligations hereunder at the time of making such final draw request. Notwithstanding anything contained in this Lease to the

contrary, in no event has Landlord made any representation or warranty as to the cost to construct the Building.

- (iv) Notwithstanding the foregoing, Landlord's payment of Tenant's draw shall be subject to the following conditions:
- (A) Landlord's receipt of interim certificates of completion, as applicable;
- (B) Landlord's receipt of a copy of Tenant's certificate of occupancy for the Building, as relates to the final draw only;
- (C) original interim or final lien waivers and releases (as applicable), properly executed by Tenant's general contractor and all subcontractors and suppliers providing labor and/or materials indicating that all amounts due to the general contractor, subcontractors and suppliers have been paid in full;
- (D) copies of paid invoices evidencing the amount Tenant has expended in connection with Tenant's construction of the Building; and
- (E) copies of any other documents as may be reasonably required by Landlord, its lender or Chicago Title Insurance Company in order to fund the construction draw from which the Landlord's Contribution shall be drawn.
- (v) The parties acknowledge that the Landlord Contribution is an estimate of the costs to construct the Building. If the costs exceed \$5,200,000.00, Tenant shall pay the overage at its sole cost and expense and shall be required to expend all such sums first before requesting the Landlord Contribution. Landlord shall make up to three hundred fifty thousand dollars (\$350,000.00) of the Landlord Contribution available to the Tenant upon full execution of the Lease, for architecture, engineering and other soft costs, provided, however, Tenant shall be required to follow the same process as above for a request for disbursement. At any time that the construction of the Building is out of balance, Tenant shall be required to deposit all such sums necessary to bring the construction of the Building back into balance before Landlord is required to fund any additional portion of the Landlord Contribution
- 7. Lease Year. The term "Lease Year," as referred to in this Lease, means a period of twelve (12) consecutive calendar months. The first Lease Year shall begin on the Term Commencement Date if the Term Commencement Date occurs on the first day of the calendar month; or, if not, then the first Lease Year shall commence on the first day of the first calendar month after the Term Commencement Date. Each succeeding Lease Year shall commence upon the anniversary of the commencement date of the first Lease Year.
- 8. Minimum Rent. Tenant agrees to pay to Landlord as "Minimum Rent", without notice or demand or setoff of any kind, the monthly sum as set forth in Paragraph 9 below, in advance, on or before the first day of each and every successive calendar month during the Lease Term. Rent and other charges to be paid to Landlord under this Lease for any period less than one (1) month shall be a prorated on a per diem basis. All Rent and other charges due under this Lease shall be payable to Landlord at 1307 Schiferl Road, Bartlett, Illinois 60103, or at such other place as Landlord may from time to time designate in writing.

9. Minimum Rent Amounts. Minimum Rent shall be payable during the Lease Term as follows:

| Effective Period: | PSF Rent: | Monthly<br>Minimum Rent: | Annual Minimum Rent: |
|-------------------|-----------|--------------------------|----------------------|
| Lease Years 1-3   | \$32.50   | \$54,166.67              | \$650,000.00         |
| Lease Years 4-6   | \$34.50   | \$57,500.00              | \$690,000.00         |
| Lease Years 8-10  | \$36.50   | \$60,833.33              | \$730,000.00         |

In the event the actual square footage of the Building is more than the 20,000 sf, the Monthly Minimum Rent and Annual Minimum Rent shown above shall be adjusted so that the Tenant pays Landlord an amount of Annual Minimum Rent equal to the PSF Rent multiplied by the actual square footage of the Leased Premises, which number shall be divided by twelve (12) to calculate the Monthly Minimum Rent.

### 10. Landlord Option to Collect via Automatic Transfer.

- a. <u>Authorization</u>. Instead of requiring Tenant to pay Minimum Rent, Tenant's Pro Rata Share of Real Estate Taxes, Insurance Payments, Common Area Charges, or other charges in a manner pursuant to Paragraphs 8, 17, 18 and 19, or otherwise as required under this Lease, Landlord may, at its sole option, upon not less than thirty (30) days prior written notice to Tenant, require Tenant to promptly execute and deliver to Landlord any documents, instruments, authorizations, or certificates required by Landlord to give effect to an automated debiting system, whereby any or all payments by Tenant (as designated from time to time by Landlord) of whatsoever nature required or contemplated by this Lease shall be debited monthly or from time to time, as determined by Landlord, from Tenant's account in a bank or financial institution designated by Tenant and credited to Landlord's bank account as Landlord shall designate from time to time.
- b. <u>Tenant Pays all Fees</u>. Tenant shall promptly pay all service fees and other charges connected with such automated debiting system, including, without limitation, any charges resulting from insufficient funds in Tenant's bank account or any charges imposed on the Landlord.
- c. <u>Tenant Notifies of Bank Change</u>. In the event that Tenant elects to designate a different bank or financial institution from which any Rent or other charges under the Lease are automatically debited, notification of such change and the required documents, instruments, authorization, and certificates specified in subparagraph (a) must be received by Landlord no later than thirty (30) days prior to the date such change is to become effective.
- d. <u>Mistake in Debit</u>. Tenant agrees that it shall remain responsible to Landlord for all payments of Rent, Additional Rent, and other charges pursuant to the Lease, even if Tenant's bank account is incorrectly debited in any given month. Such Rent and other charges shall be immediately payable to Landlord upon written demand.

a. <u>Failure to Comply is a Lease Default</u>. Tenant's failure to properly designate a bank or financial institution or to promptly provide appropriate information in accordance with this Paragraph 63 shall constitute a default of the Lease.

### 11. Security Deposit. Intentionally deleted.

12. Options to Renew. Tenant shall have and is hereby granted the option to extend the term of this Lease for three (3) additional periods of five (5) years each upon the same terms, conditions and rental contained in this Lease, except that, in lieu of the Minimum Rent due and payable during the original term of this Lease or the option period, as the case may be, the Minimum Rent shall be payable in such amounts as are set forth in Paragraph 13 of this Lease. Tenant must notify Landlord, in writing, and by certified mail, return receipt requested, of its election to exercise its option to extend the Lease Term at least three hundred sixty (360) days prior to the expiration of the original Lease Term or any option period, as the case may be. The renewal option(s) set forth in this Paragraph 12 cannot be exercised by Tenant unless (i) Tenant is current in its payments of all installments of Minimum Rent, Common Area Charges, Real Estate Taxes and Insurance Payments and any other charges due under this Lease; and (ii) Tenant is not otherwise in default under any of the covenants and obligations contained in this Lease.

## 13. Option Period Minimum Rent Amounts. Minimum Rent shall be payable during the option period(s) hereof as follows:

| Effective Period: | PSF Rent: | Monthly Minimum Rent: | Annual <u>Minimum Rent</u> : |
|-------------------|-----------|-----------------------|------------------------------|
| Lease Years 11-15 | \$32.00   | \$53,333.33           | \$640,000.00                 |
| Lease Years 16-20 | \$34.00   | \$56,666.67           | \$680,000.00                 |
| Lease Years 21-25 | \$36.00   | \$60,000.00           | \$720,000.00                 |

In the event the actual square footage of the Building is more than the 20,000 sf, the Monthly Minimum Rent and Annual Minimum Rent shown above shall be adjusted so that the Tenant pays Landlord an amount of Annual Minimum Rent equal to the PSF Rent multiplied by the actual square footage of the Leased Premises, which number shall be divided by twelve (12) to calculate the Monthly Minimum Rent.

#### 14. <u>Use</u>.

(a) Subject to all exclusive and prohibited uses in effect at Landlord's Parcel, Tenant shall use the Leased Premises for (i) a full service seafood restaurant and bar for pick up, sit down and delivery which may include craft and/or premium beer, wine, breakfast fare and having televised sporting and other events available in the Leased Premises from time to time including all forms of live entertainment including the use of DJ and (ii) operate a sports facility/club to play pickle ball and other sporting activities approved by Landlord and shall not use or permit the Leased Premises to be used for any other purpose without the prior written consent of Landlord, it being acknowledged and agreed by Tenant that Landlord shall not be deemed to have unreasonably withheld its consent to any changed use if such changed use would (x) violate the terms of the COREA, (y) compete with any then existing use or operation of any other tenants or occupants of the Shopping Center, or (z) otherwise violate any terms or

provisions of this Lease. Without limiting the foregoing, Tenant shall not use the Leased Premises for a bank, savings and loan, federal bank for savings or credit union nor shall Tenant locate or permit an automatic teller machine in the Leased Premises. Tenant shall not do or permit anything to be done in or about the Leased Premises nor bring or keep anything therein which is not within the permitted use of the Leased Premises or which will in any way increase the existing rate of, or affect, any fire or other insurance policy for the building of which the Leased Premises are a part or any of its contents, or cause a cancellation of any insurance policy covering said building, or any part thereof, or any of its contents. Tenant shall not do or permit anything to be done in or about the Leased Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Shopping Center or injure or annoy them, or use or allow the Leased Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in, on or about the Leased Premises. No use shall be permitted in the Shopping Center which is inconsistent with the operation of a first-class retail Shopping Center. Tenant shall not commit, or allow to be committed, any waste in or upon the Leased Premises. Tenant shall not do or permit anything to be done in or about the Leased Premises or the Shopping Center which will in any way violate any provisions of the COREA.

- (b) No merchandise, equipment or services, including, but not limited to, vending machines, promotional devices and similar items, shall be displayed, offered for sale or lease, or stored within the common areas of the Shopping Center; provided, however, that the foregoing prohibition shall not be applicable to temporary Shopping Center promotions, except that no promotional activities will be allowed in the common areas of the Shopping Center without the prior written approval of the Landlord which approval may be withheld by Landlord in its sole and absolute discretion, and which may, pursuant to the provisions of the COREA, require third party approval. Landlord makes no representation or warranty, of any nature or kind, concerning Landlord's ability to obtain such third party consent. Tenant shall be responsible, at Tenant's sole cost and expense, for cleaning up and restoring any damage to the sidewalk caused by the display and sale of merchandise.
- (c) Tenant shall cause its employees to park their vehicles only in those areas designated as employee parking areas by Landlord pursuant to the provisions of Paragraph 24 of this Lease, provided that the location is within a reasonable walking distance to the Premises
- (d) Tenant shall have the exclusive right in the Landlord's Parcel to conduct a full-service, sit down restaurant (i) whose menu is dedicated to 35% or more of seafood entrees, (ii) which specializes in rose wine, or (iii) which includes pickleball and any and all other paddle sports in its concept (the "Exclusive Uses"). Landlord shall not (x) lease or grant its consent to any assignment or sublease of space or change of use in the Landlord's Parcel for the Exclusive Uses, or (y) grant permission to any other tenant in the Landlord's Parcel to operate for the Exclusive Uses; provided, however with respect to item (y) Landlord shall have no obligation to inspect other tenants for violations thereof. Tenant acknowledges and agrees that the foregoing Exclusive Uses shall (i) only apply during such time as Tenant operates the Leased Premises for the Exclusive Uses, (ii) not apply to any portion of the Shopping Center other than the Landlord's Parcel.
- (e) Notwithstanding anything to the contrary in this Lease, so long as Tenant is not in default under any of the terms of this Lease beyond all applicable notice and cure periods, and

subject to all required government approvals and the terms of the COREA, Tenant's permitted use shall include the right to utilize, at no additional charge to Tenant, an outdoor seating area located on the sidewalk area, directly adjacent to the Leased Premises and exterior rooftop of the Premises "(collectively referred to as "the Outdoor Areas"). Tenant's rights under this Paragraph 14(e) are specifically subject to the terms of the COREA. If Tenant elects to utilize the outdoor seating area, Tenant shall do so in such a manner to allow the continued and unimpaired access of pedestrians on the sidewalk in front of the Leased Premises and shall cause, at Tenant's sole cost and expense, such outdoor seating area to be cleaned on a daily basis, and, no less frequently than once monthly (but only during the time when the outdoor seating area is in use) to be cleaned with a high pressure wash. In addition, Tenant shall provide ashtrays for its customers in the outdoor seating area, and shall police such area on a regular basis each day.

anything to be done in or about the Leased Premises, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with and shall take all actions necessary to cause the Leased Premises to comply with all laws, statutes, applicable building codes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating to, or affecting, the condition, use or occupancy of the Leased Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant (whether Landlord be a party thereto or not), that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

#### 16. Covenant to Operate.

Throughout the entire Lease Term and any extensions thereof. Generally. Tenant shall continuously conduct and carry on Tenant's business in the Leased Premises, and shall keep the Leased Premises open for business and cause Tenant's business to be conducted therein during customary business hours for similar uses in the Chicago metropolitan area. This provision shall not apply if the Leased Premises should be closed and the business of Tenant temporarily discontinued in said Leased Premises on account of strikes, lockouts or similar causes beyond the reasonable control of Tenant. Tenant shall keep the Leased Premises adequately stocked with merchandise, and with sufficient sales personnel to care for the patronage, and to conduct Tenant's business in accordance with sound business practices. Tenant hereby covenants and agrees that it shall conduct its labor relations and its relations with its employees and agents in such a manner as to avoid all strikes, picketing and boycotts of, on, or about the Leased Premises and the Shopping Center. Tenant further covenants and agrees that, if any of its employees or agents strike, or if picket lines or boycotts or other visible activity objectionable to Landlord are established or conducted or carried out against Tenant or its employees or agents, or any part of them, in or about the Leased Premises or the Shopping Center, Tenant shall, upon Landlord's request, immediately close the Leased Premises to the public and remove all employees from the Leased Premises until the dispute giving rise to such strike, picket line, boycott, or objectionable activity has been settled to Landlord's satisfaction. Thereafter, Landlord shall be entitled to damages, but because of the difficulty or impossibility of determining Landlord's damages which would result from Tenant's failure to continuously operate the Leased Premises on all business days in accordance with all of the provisions of this Paragraph 16, it is hereby agreed that, in addition to any and all other remedies available to Landlord under the terms of this Lease, Landlord shall be entitled to liquidated damages in an amount equal to one hundred twenty-five percent (125%) of the sum of the Minimum Rent, and all other Rent due and payable under this Lease, prorated on a daily basis, for each day that Tenant fails to comply with the provisions of this Paragraph 16, which sum shall be payable within ten (10) days following Landlord's delivery to Tenant of an invoice for that sum. In addition to all other remedies available to Landlord under the terms of this Lease, Landlord shall have the right to obtain specific performance by Tent of its covenant of continuous operation set forth in this Paragraph 16.

b. <u>Co-Tenancy</u>. Notwithstanding anything contained in this Lease to the contrary, in the event the Co-Tenancy Requirement (as defined below) shall not have been met by the date which is one hundred eighty (180) days after the Term Commencement Date and for the remainder of the initial Term of this Lease and such failure to meet the Co-Tenancy Requirement was not due to casualty, condemnation, force majeure or remodeling, during the initial Term of the Lease, Tenant may elect to pay, in lieu of Minimum Rent owed hereunder, Tenant shall pay to Landlord 70% of the Minimum Rent that would otherwise be due hereunder during each such month that the Co-Tenancy Requirement is not met until such Co-Tenancy Requirement is satisfied. For the purposes of this Section 16(b), the "Co-Tenancy Requirement" shall mean a (i) minimum of 16,000 square feet of space (excluding the Premises but including the floor area of Parlor Pizza or any tenant referenced in the next subsection) being operated in the Shopping Center or (ii) Parlor Pizza or other comparable tenant of equal or greater size with a business operating in downtown Chicago is operating within the Shopping Center.

#### 17. Real Estate Tax Reimbursement.

Tenant shall pay to Landlord, as additional rent, its Pro Rata Share (as hereinafter defined) of Real Estate Taxes (as hereinafter defined) relating to the Landlord's Parcel for each calendar year commencing in the calendar year in which the Term Commencement Date occurs and continuing thereafter through the Lease Term Expiration Date, except that the amount of such Real Estate Taxes for the calendar years during which the Term Commencement Date occurs and the Lease Term ends shall be adjusted pro rata between Landlord and Tenant on the basis of the number of days in the Lease Term falling within said calendar years. An amount equal to 1/12th of Tenant's Pro Rata Share of Landlord's estimate of current Real Estate Taxes shall be paid by Tenant in advance during the Lease Term on the first day of each calendar month and a proportionate sum for partial months, if any, at the beginning and end of the Lease Term. Said Real Estate Tax payments are to be estimated by Landlord and in the event Landlord is required under any mortgage covering part or all of the Landlord's Parcel to escrow Real Estate Taxes, Landlord may use the amount required to be so escrowed as the basis for its estimate. Said estimated payments may be increased or decreased from time to time during any calendar year based upon Landlord's reasonable determination. Within thirty (30) days of receipt of the actual tax bills, Landlord shall notify Tenant of the actual amount due from Tenant. Any amount actually paid by Tenant which exceeds Tenant's Pro Rata Share shall be credited against the next succeeding monthly payments of Tenant's Pro Rata Share of Real Estate Taxes due pursuant to this Paragraph 17, unless this Lease shall have terminated or expired, in which event Landlord shall refund such overpayment to Tenant within thirty (30) days of receipt of the actual tax bills, in writing. If Tenant has paid less than the amount due, Tenant shall pay the

difference within thirty (30) days of receipt of written notice by Landlord. Tenant further agrees that Landlord may include all costs and expense, incurred by Landlord, with respect to any efforts on the part of Landlord or Landlord's representatives to minimize, reduce, protest, negotiate, or adjust any real estate tax bill, tax assessment, or assessed valuation with regard to the Shopping Center including, without limitation, the cost of appraisals, witness fees, and attorney's fees. Tenant's obligation for payment of Real Estate Taxes and Landlord's obligation to refund any overpayment of Real Estate Taxes shall survive the expiration of the Lease or earlier termination of the Lease Term until such Real Estate Taxes are paid.

- (b) For purposes of this Lease, the following terms shall have the meaning as specified in this subparagraph 17(b);
  - (i) "Floor Area" shall mean the actual number of square feet of space contained within the ground floor area of a building or leased premises.
  - Taxes" shall (ii) "Real Estate mean and include all real estate taxes, assessments, special taxes, special assessments and other governmental impositions and charges of every kind and nature whatsoever (except income, franchise, capital stock, federal and state estate taxes and taxes based upon receipt of rentals, unless enacted in lieu of Real Estate Taxes), extraordinary as well as ordinary, foreseen and unforeseen, present or future, and each and every installment thereof which shall or may, during the Lease Term, become due and payable or arising in connection with, the use, occupancy, or possession of, or due or payable out of or for, the Landlord's Parcel or any part thereof. The amount of Real Estate Taxes attributable to any calendar year of the Lease Term shall be the amount of Real Estate Taxes payable with respect to such year, it being the express intention of the parties that Real Estate Taxes be passed through to Tenant on an accrual basis.
  - (iii) "Pro Rata Share" shall mean a fraction, the numerator of which is the Floor Area of the Leased Premises, and the denominator of which is the total Floor Area contained in all buildings located on the Landlord's Parcel.
- 18. <u>Insurance Reimbursement</u>. Tenant shall pay to Landlord, as additional rent under this Lease, its Pro Rata Share of "Insurance Payments" (as hereinafter defined), from and after the Term Commencement Date and continuing thereafter during the Lease Term, promptly without demand, in an amount to be estimated by Landlord and to be adjusted periodically, based upon Landlord's actual Insurance Payments. An amount equal to 1/12th of Tenant's Pro Rata Share of Landlord's estimate of the current Insurance Payments shall be payable in advance during the Lease Term, on the first day of each calendar month and a proportionate sum for partial months, if any, at the beginning and end of the Lease Term. The term "Insurance Payments" shall be deemed to mean all items of cost and expense incurred in order to keep the Landlord's Parcel fully insured, with insurance coverage deemed necessary and appropriate by Landlord, in its sole discretion, but in no event in amounts less than those required by the COREA, including, but not limited to, the cost of the premiums for all risk fire insurance (with extended coverage endorsements) placed on a full replacement cost basis with no deduction for depreciation; public liability insurance; property damage insurance; rent loss insurance; and any

other costs incurred in the placing of said insurance, but excluding any costs of insuring the common areas, to the extent that such costs have been included in the Common Area Charges (defined below). Tenant's Insurance Payment may be increased or decreased from time to time during any calendar year based upon Landlord's reasonable determination. Subsequent to Landlord's receipt of the actual insurance bills, Landlord shall furnish Tenant a statement of Tenant's actual Pro Rata Share of the insurance charges. Any amount actually paid by Tenant which exceeds the actual amount due from a Tenant shall be credited against the next succeeding monthly payments due pursuant to this Paragraph 18. If Tenant has paid less than the amount due, Tenant shall pay the difference within ten (10) days of receipt of Landlord's statement. Tenant's obligation for payment of its Pro Rata Share of Insurance Payments shall survive the expiration or earlier termination of the Lease Term for one year. Tenant shall not violate, or permit the violation of, any condition imposed by any insurance policy issued in respect of the Leased Premises and/or the Landlord's Parcel and shall not do, or permit anything to be done, or keep or permit anything to be kept in the Leased Premises, which would (a) subject Landlord, any Superior Lessor, any Superior Lessee or any Superior Mortgagee (as those terms are defined in Paragraph 54 below), to any liability or responsibility for personal injury or death or property damage; (b) which would increase any insurance rate in respect of the Leased Premises, the Landlord's Parcel or the property therein over the rate which would otherwise then be in effect; (c) which would result in insurance companies of good standing refusing to insure the Leased Premises, the Landlord's Parcel or the property therein, in amounts reasonably satisfactory to Landlord; and (d) which would result in the cancellation of or the assertion of any defense by the insurer, in whole or in part, to claims under any policy of insurance with respect to the Leased Premises, the Landlord's Parcel or the property therein. If, by reason of any failure of Tenant to comply with any provision of this Lease, the premiums on Landlord's insurance on the Leased Premises, the Landlord's Parcel and/or property therein shall be higher than they otherwise would be, Tenant shall reimburse Landlord, on demand, for that part of such premiums attributable to such failure on the part of the Tenant.

19. Common Area Charge. From and after the Term Commencement Date, and continuing thereafter throughout the Lease Term, Tenant shall promptly pay to Landlord, without demand and as additional rent under this Lease, its Pro Rata Share of Common Area Charges (as hereinafter defined) in an amount to be estimated by Landlord and to be adjusted periodically based upon Landlord's actual cost and expense. An amount equal to 1/12th of Tenant's Pro Rata Share of Landlord's estimate of the current Common Area Charges shall be payable in advance during the Lease Term on the first day of each calendar month and a proportionate sum for partial months, if any, at the beginning and end of the Lease Term. Notwithstanding anything to the contrary contained in this Lease, commencing with the third (3<sup>rd</sup>) Lease Year, the maximum increase in Common Area Charges in any calendar year (exclusive of taxes, snow removal, insurance, utility costs, costs allocated under the COREA and valet parking costs) shall be seven percent (7%), calculated on a cumulative basis.

As used in this Lease, the term "Common Area Charges" means the total of all items of cost and expense expended (including, but not limited to, appropriate reserves) in operating, managing, equipping (including, without limitation, seasonal promotions and displays), protecting, policing, lighting, repairing, replacing, maintaining and insuring the common areas of the Shopping Center and all facilities located in said common areas and all common areas and buildings located on the Landlord's Parcel in a safe, attractive and good state of repair and condition, including, without limitation, all charges allocated to the Landlord's Parcel pursuant

to the provisions of the COREA. Common Area Charges shall include, but not be limited to, all costs and expenses for or pertaining to the following: (i) maintaining, cleaning and replacing all paved surfaces and curbs in a smooth and evenly covered condition, including, without limitation, replacement of base, skin patching, sweeping, restriping, resealing and resurfacing (for the purpose of this section, an overlay of the drive and parking areas shall be considered a maintenance item); (ii) periodic removal of all papers, debris, filth, refuse, ice and snow, including sweeping to the extent necessary to keep the common areas in a first-class, clean and orderly condition, it being acknowledged that all sweeping shall be performed at appropriate intervals during such times as shall not unreasonably interfere with the conduct of business or use of the common areas by persons intending to conduct business with occupants of the keeping in repair, replacing and repainting any Shopping Center; (iii) placing, cleaning, appropriate directional signs or markers, including any handicapped parking signs; (iv) operating, maintaining, cleaning and replacing common area lighting facilities, including lamps, ballasts and lenses; (v) maintaining all landscaped areas, including landscaping and planters adjacent to exterior walls of buildings, in an attractive and thriving condition, and replacing shrubs and other landscaping as necessary and operating, maintaining and repairing the irrigation system servicing the Shopping Center; (vi) maintaining, cleaning, replacing and repairing any and all common utility lines, including without limitation, any on-site and off-site detention systems, ponds and easements benefiting the Shopping Center; (vii) keeping the common areas free from any obstruction including those caused by the sale or display of merchandise, unless such obstruction is permitted under the provisions of this Lease or the COREA; (viii) providing professional supervisory personnel for the common areas, if reasonably required; (ix) supervision of traffic at entrances and exits to the Shopping Center and within the Shopping Center as conditions reasonably require in order to maintain an orderly and proper traffic flow; (x) electrical costs allocated to Landlord for the operation of off-site traffic signals benefiting the Shopping Center; (xi) painting; (xii) servicing, maintaining, replacing and monitoring any fire sprinkler system; (xiii) any alterations, additions or improvements required to be made to the common areas or the buildings in order to comply with applicable laws; (xiv) all other items necessary to keep the common areas and buildings in a state of good and sanitary repair and in compliance with all applicable laws; (xv) the cost of maintaining and operating (including, without limitation, electrical costs) any monument sign for the Shopping Center or Landlord's Parcel; (xvi) the cost of insurance required under, and carried pursuant to, the COREA; (xvii) any and all costs, expenses and charges allocated or charged to the Landlord's Parcel pursuant to the COREA; (xix) any and all costs, expenses and charges associated with any valet parking program for the Landlord's Parcel; and (xx) all costs and expenses related to maintenance and repair of any outdoor seating area or piazza which is for the common use of all tenants. Common Area Charges shall also include administrative charges in an amount equal to ten percent (10%) of the total costs of operating and maintaining the common areas (exclusive of such administrative charges), and such other costs as Landlord may reasonably determine are required for the proper maintenance of the common areas and the facilities located in said common areas. Said estimated payment for Common Area Charges may be increased or decreased, from time to time during any calendar year, based upon Landlord's reasonable determination. Following the end of each calendar year, Landlord shall furnish Tenant with a reasonably detailed statement of the actual Common Area Charges expended by Landlord during that immediately preceding calendar year. Any amount paid by Tenant which exceeds the aforesaid amount due shall be credited against the next succeeding payments due pursuant to this Paragraph 19, or, if after the expiration of the Lease Term, promptly refund the same to Tenant. If Tenant has paid less than the amount due, Tenant shall pay the difference within ten (10) days of receipt of notice by Landlord. Tenant's obligation for payment of Common Area Charges shall survive the expiration or earlier termination of the Lease Term for one year.

Notwithstanding anything to the contrary contained in this Lease, in no event shall Common Area Charges include the following:

- (a) costs occasioned by the act, omission or violation of applicable governmental law by Landlord, or Landlord's agents, employees or contractors, or costs to correct any construction defect in the Premises (other than alterations constructed by Tenant), or costs arising out of the failure to construct the Leased Premises, or Common Areas in accordance with Laws and private restrictions applicable at the time of construction thereof.
- (b) costs occasioned by the exercise of the power of eminent domain.
- (c) costs for which Landlord has a right of reimbursement from others, or costs which Tenant pays directly to a third person.
- (d) depreciation, amortization or other expense reserves.
- (e) interest, charges and fees incurred on debt, payments or mortgages and rent under ground leases.
- (f) costs incurred to investigate the presence of any Hazardous Material, Costs to respond to any claim of Hazardous Material contamination or damage, costs to remove any Hazardous Material from the Leased Premises or Common Area or to remediate any Hazardous Material contamination, and any judgments or other costs incurred in connection with any Hazardous Material exposure or release, except to the extent such Costs are incurred by Landlord by reason of the storage, use or disposal of the Hazardous Material in question by Tenant, its agents, employees, contractors or invitees.
- (g) Any fee, profit or compensation retained by Landlord or its affiliates for management and administration of the Leased Premises in excess of the administrative fee specified above.
- (h) costs for capital improvements except as amortized over their useful life according to generally accepted accounting principles.
- 20. <u>Landlord Repair Responsibility</u>. Landlord shall have no responsibility for the repair, maintenance or replacement of any portion of the Leased Premises.
- 21. Tenant Repair Responsibility. Tenant shall, at Tenant's sole cost and expense, keep the Leased Premises and every part thereof in good condition and repair including, without limitation, the maintenance, replacement and repair of any storefront, signage (as contemplated or required pursuant to Paragraph 33 below), doors, doorways, locks, window casements, glazing, plumbing, pipes, electrical wiring and conduits, and heating, ventilating and airconditioning systems (collectively "HVAC Systems"). Tenant shall obtain, at Tenant's expense, and shall maintain throughout the Lease Term and any extensions thereof, a service contract, with a contractor reasonably acceptable to Landlord, for the repair and maintenance of said

HVAC Systems, said maintenance contract to conform to the requirements under the warranty, if any, on said system. Tenant shall deliver a copy of said contract to Landlord prior to the Term Commencement Date. Tenant shall, upon the expiration or sooner termination of this Lease, surrender the Leased Premises to Landlord in good condition and broom clean, ordinary wear and tear and damage from causes beyond the reasonable control of Tenant excepted. Any damage to the Leased Premises or adjacent premises caused by Tenant's use of the Leased Premises shall be immediately repaired, to Landlord's satisfaction, at the sole cost and expense of Tenant. If Tenant refuses or neglects to commence and to complete any or all of the repairs, replacements or maintenance required under this Lease promptly and adequately, Landlord may, but shall not be required to, make and complete said repairs and Tenant shall pay the cost thereof, together with a ten percent (10%) administrative expense, to Landlord, upon demand, as additional rent under this Lease.

- 22. Tenant Alterations. Except as otherwise specifically provided in this Lease, Tenant shall not, at any time during the Lease Term, make any alterations, decorations, additions, or improvements to the exterior of the Leased Premises (hereinafter collectively referred to as "Alterations"), without Landlord's prior written consent. In the event that Landlord consents to the performance of any such Alterations, Landlord may impose on Tenant whatever requirements or conditions Landlord may deem appropriate in connection with the performance of such Alterations (e.g. insurance, performance bond, lien waivers, plans and specifications, use of licensed contractor, permits and licenses). Notwithstanding the foregoing, Tenant shall not need Landlord's consent for interior, non-structural, Alterations to the Leased Premises, provided that (x) the aggregate cost of any such Alterations in any twelve (12) consecutive month period is less than or equal to One Hundred Thousand and No/100ths Dollars (\$100,000) and (y) none of such Alterations affect or impact any or all of the HVAC Systems, or the electrical, plumbing or life safety systems servicing the Leased Premises
- 23. Landlord Alterations & Additions. Landlord hereby reserves the right, at any time and from time to time, to make changes, alterations or additions to, or subdivisions of, the Landlord's Parcel, its parking lot and other common areas, including, but not limited to, construction of additional buildings and improvements, or to change the dimensions of the Landlord's Parcel. Landlord may, in its sole discretion, change the number, locations and dimensions of the buildings, the premises therein, the driving lanes, driveways, walkways, parking spaces and other improvements. Landlord also reserves the right, from time to time, to construct other buildings, structures, kiosks or improvements, including, but not limited to, surface, elevated or double-deck parking facilities, in the Landlord's Parcel and temporary scaffolds and other aids to construction. Tenant acknowledges and agrees that the owners of other parcels within the Shopping Center have rights to construct new buildings in the Shopping Center and to expand existing buildings in the Shopping Center. Any such construction or expansion is specifically consented to by Tenant.
- 24. Parking & Common Areas. Landlord shall make available free of charge, except for valet services which may be offered from time to time, such areas and facilities of common benefit to the tenants and occupants of the Landlord's Parcel as Landlord shall deem appropriate. Subject to the terms and provisions of the COREA, Landlord shall operate, manage, equip, light, insure, secure, repair and maintain the common area and facilities for their intended purposes in such manner as Landlord shall, at its sole discretion, deem appropriate, and may, from time to time, change the size of, and move and remove such installations. Landlord shall

have the right to close the common area or any part thereof (but no event more than 25% of the available parking at any one time except in the event of an emergency or as may be otherwise required by applicable governmental requirements), for repairs on such days or during such hours as Landlord shall, at its sole discretion, determine. Tenant and its permitted concessionaires, officers, employees, agents, customers and invitees shall have the nonexclusive right, in common with Landlord and all others to whom Landlord has or may hereafter grant rights, to use the common areas as designated from time to time by Landlord, subject to such reasonable regulations as Landlord may from time to time impose, including, but not limited to, the designation of specific areas in which cars owned by Tenant, its permitted concessionaires, officers, employees and agents must be parked. Tenant acknowledges that owners of other portions of the Shopping Center have the right to use reasonable portions of the common area for outside sale of merchandise and/or storage of carts.

- 25. <u>Utilities</u>. Tenant shall pay for all water, gas, electric, heat, light, power, sewer charges, telephone service and all other services and utilities supplied to the Leased Premises, together with any taxes thereon. If any such services are not separately metered to Tenant, Tenant shall pay a reasonable proportion, to be determined by Landlord, of all charges jointly metered with other premises. Tenant shall pay all electric charges for its exterior signs. Landlord shall not be liable for any interruptions or curtailment in utilities and Tenant shall not be entitled to any damages resulting from such failure, nor shall such failure relieve Tenant of the obligation to pay all sums due under this Lease or be construed as a constructive or other eviction of Tenant.
- Liens. Tenant shall not cause or permit any mechanic's lien to be filed against 26. the Leased Premises or the Shopping Center by reason of, or due to, or as a result of, any work, labor, services, or materials performed at, or furnished to, the Leased Premises, to Tenant, or to anyone holding the Leased Premises through or under Tenant. If any such mechanic's lien shall at any time be filed, Tenant shall immediately cause the same to be discharged of record by payment, bond, order of a court of competent jurisdiction or otherwise; provided, however, that Tenant shall have the right to contest any and all such liens provided security which is satisfactory to Landlord, in its sole discretion, is deposited with Landlord and such lien is dismissed within sixty (60) days from the filing date of said lien. Subject to the immediately preceding sentence, in the event that Tenant fails to cause any such lien to be discharged within thirty (30) days after being notified of the filing thereof and before judgment or sale thereunder, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same by paying the amount claimed to be due, or by bonding or other proceeding deemed appropriate by Landlord, and the amount so paid by Landlord, together with all costs and expenses (including, but not limited to, reasonable attorney's fees), incurred by Landlord in procuring the discharge of such lien, shall be deemed to be additional rent and shall immediately become due and payable by Tenant to Landlord on the first day of the next following month.
- 27. Hold Harmless Indemnity. Tenant shall, and does hereby, indemnify, protect, defend and hold harmless Landlord, Landlord's mortgagee, Landlord's beneficiaries and their respective partners, agents and employees against and from any and all claims, damages, liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, attorneys' fees and court costs) suffered or incurred by any or all of the indemnified parties and arising from or as a result of, (a) Tenant's use of the Leased Premises, or from the conduct of its

business, or from any activity, work, or other things done, permitted or suffered by the Tenant in or about the Leased Premises; (b) any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease; or (c) any act or negligence of Tenant, or any officer, agent, employee, guest, or invitee of Tenant, and in case any action or proceeding be brought against any or all of the indemnified parties by reason of (a), (b) or (c) above, then Tenant, upon notice from an indemnified party, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Leased Premises and the Shopping Center, from any cause other than Landlord's gross negligence or intentional misconduct, and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents in or about the Leased Premises or the Shopping Center.

Landlord shall, and does hereby, indemnify, protect, defend and hold harmless Tenant and its officers, employees, beneficiaries and assigns against and from any and all claims, damages, liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, attorneys' fees and court costs) suffered or incurred by any or all of the indemnified parties and arising from or as a result of, (a) Landlord's use or maintenance of the Common Areas, or from the conduct of its business, or from any activity, work, or other things done, permitted or suffered by the Landlord in or about the Common Areas; (b) any breach or default in the performance of any obligation on Landlord's part to be performed under the terms of this Lease; or (c) any act or negligence of Landlord, or any officer, agent, employee, guest, or invitee of Landlord, and in case any action or proceeding be brought against any or all of the indemnified parties by reason of (a), (b) or (c) above, then Landlord, upon notice from an indemnified party, shall defend the same at Landlord's expense by counsel reasonably satisfactory to Tenant. Landlord, as a material part of the consideration to Tenant, hereby assumes all risk of damage to property or injury to persons in, upon or about the Common Areas and the Shopping Center, from any cause other than Tenant's negligence or misconduct, and Landlord hereby waives all claims in respect thereof against Tenant.

- 28. <u>Insurance to be Maintained by Tenant</u>. Tenant shall, at its sole cost and expense, at all times during the Term (and any extensions thereof) obtain and pay for and maintain in full force and effect the following insurance policy or policies:
- (a) <u>Property Coverage</u>. "Special Cause of Loss" property insurance on a replacement cost basis, covering all of the Tenant's personal property, merchandise, trade fixtures, furnishings and equipment, and all leasehold improvements installed in the Leased Premises by, or on behalf of, Tenant in an amount not less than the full replacement cost of all such property. The total amount of the deductible required under the policy(ies) providing such coverage shall be no more than \$10,000.00 per loss.
- (b) Loss of Income. "Special Cause of Loss" (including, but not limited to, earthquake and flood), loss-of-income insurance in an amount sufficient to assure that the Landlord shall recover the loss of any rental income due and owing to Landlord from Tenant under the terms of this Lease, which coverage shall provide such protection to Landlord for a period of not less than twelve (12) consecutive months. The total amount of a deductible required under the policy providing such coverage shall be no more than \$10,000.00 per loss.

Landlord and any other parties designated by Landlord (including, but not limited to, its beneficiary, its general partners, and its managing agent) shall be included as loss payee(s).

- Commercial general public liability and comprehensive Liability Coverage. automobile liability and, if necessary to comply with any conditions of this Lease, umbrella liability insurance, covering Tenant against any claims arising out of liability for bodily injury and death and personal injury and advertising injury and property damage occurring in and about the Leased Premises, and/or the Building and otherwise resulting from any acts and operations of Tenant, its agents and employees, with limits of not less than a total combined single limit of \$1,000,000.00 per occurrence and \$2,000,000.00 annual general aggregate, per location, or in greater amounts if required by the COREA. The total amounts of a deductible or otherwise selfinsured retention with respect to such coverage shall be not more than \$10,000.00 per occurrence. Such insurance shall include, inter alia: (i) "occurrence" rather than "claims made" policy forms; (ii) all insurable liability assumed by the Tenant under the terms of this Lease; (iii) premises medical expenses in an amount not less than \$5,000.00 per person, per accident; (iv) the Landlord and any other parties designated by Landlord (including, but not limited to, its beneficiary, its general partners and its managing agent) shall be designated as additional insured(s); and (v) severability of insured parties. Landlord shall have the right, at Landlord's option, to increase the amount of liability coverage one time during each five (5) year period during the term of this Lease, to cause the same to comply with the then current shopping center industry standard.
- (d) Workers' Compensation Coverage. Workers' compensation and employer's liability insurance in the state in which the Leased Premises and any other operations of the Tenant are located and any other state in which the Tenant or its contractors or subcontractors may be subject to any statutory or other liability arising in any manner whatsoever out of the actual or alleged employment of others. The total limits of the employer's liability coverage shall be not less than the amounts specified in Subsection (c) above.
- Other Coverage. Such other policy or policies as are deemed reasonably necessary by Landlord. If, pursuant to the provisions of Paragraph 14 of this Lease, Tenant is permitted to serve and/or sell alcoholic liquor, in packaged form or otherwise, including, without limitation, beer, wine and/or ale, then Tenant shall obtain and maintain, throughout the entire term of this Lease, liquor liability and dram shop insurance, in such amounts as Landlord may require, and if no such amount is specified by Landlord, in amounts no less than the minimums required by applicable law. All insurance policies required under this Paragraph 28 shall: (i) be issued by companies licensed to do business in the State of Illinois and acceptable to Landlord rated by Best's Insurance Reports not less than A/X; (ii) not be subject to cancellation or material change or non-renewal without at least sixty (60) days' prior written notice to Landlord and any other parties designated by Landlord (A) to be loss payee(s) or additional insured(s) under the insurance policies required from Tenant, or (B) to receive such notices; and (iii) be deemed to be primary insurance in relation to any other insurance maintained by Landlord. Certified copies of all insurance policies required pursuant to this Paragraph 28 (or certificates thereof, in form and substance acceptable to Landlord), shall be delivered to Landlord prior to the Initial Possession Date. If Tenant fails to submit such policies or certificates to Landlord within the specified time, or otherwise fails to obtain and maintain insurance coverages in accordance with this Paragraph 28, then Landlord, at Landlord's sole option, may, but shall not be obligated to, procure such insurance on behalf of, and at the expense of, the Tenant, and if Landlord exercises

such right and expends any funds to obtain such insurance, Tenant shall reimburse Landlord for such amounts upon demand, it being understood that any such sums for which Tenant is required to reimburse Landlord shall constitute additional Rent under this Lease. Such a failure shall constitute a default hereunder, and such default shall not be cured by Landlord's election to procure insurance on Tenant's behalf. Compliance in whole or in part by the Tenant with any requirement of this Paragraph 28 shall not be deemed to limit, in any way or to any extent, the liabilities or obligations of the Tenant to the Landlord under the specific terms of this Lease.

- 29. <u>Subrogation</u>. As long as their respective insurers so permit and to the extent of the terms and provisions of any waiver of Subrogation clause or endorsements consenting to the same, Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to their insurers to obtain said waivers. Each party shall obtain any special endorsements, if required by their insurer to evidence compliance with the aforementioned waiver.
- Casualty/Restoration. In the event the Leased Premises are damaged by fire, explosion or any other casualty to the extent which is less than fifty percent (50%) of the full replacement cost of the Leased Premises (as conclusively determined by Landlord's architect and specifically exclusive of the replacement cost of all of the improvements performed by Tenant pursuant to Exhibit E) and none of the events described in the next succeeding sentence of this Paragraph shall have occurred, the damage shall be repaired by Landlord within a reasonable time period thereafter, provided that Landlord shall not be obligated to expend for such repair an amount in excess of the insurance proceeds recovered as a result of such damage and that in no event shall Landlord be required to repair or replace Tenant's stock in trade, fixtures, furniture, furnishings, floor coverings and equipment and any work performed by Tenant pursuant to Exhibit E. In the event of any such damage by fire, explosion or any other casualty, and (a) Landlord is not required to repair as hereinabove provided, or (b) the Leased Premises are damaged to the extent of fifty percent (50%%) or more of the full replacement cost of the Leased Premises (as determined in the manner contemplated above in this Paragraph 30), or (c) the building which the Leased Premises are a part is damaged to the extent of fifty percent (50%) or more of the full replacement cost of said building (as conclusively determined by Landlord's insurance carrier and specifically exclusive of any and all improvements of any nature whatsoever, performed by any tenant in the Shopping Center pursuant to the terms of its respective lease), or (d) the buildings (taken in the aggregate) in the Landlord's Parcel shall be damaged to the extent of more than twenty-five percent (25%) of the aggregate full replacement cost (as conclusively determined by Landlord's architect and specifically exclusive of any and all improvements of any nature whatsoever, performed by any tenant in the Landlord's Parcel pursuant to the terms of its respective lease), Landlord may elect either to (i) repair or rebuild the Leased Premises or the building or buildings respectively, or (ii) terminate this Lease. Landlord shall make such election by giving notice of such election in writing to Tenant within one hundred twenty (120) days after the date of the event causing the damage. If Landlord is required or elects to repair the Leased Premises as herein provided, Tenant shall promptly commence and diligently complete at Tenant's expense, the repair and restoration of all work set forth in Exhibit E; repair or replace its stock in trade, fixtures, furniture, furnishings, floor coverings and equipment; and if Tenant has closed, Tenant shall promptly reopen for business. Notwithstanding anything to the contrary contained in this section, Landlord shall not have any obligation whatsoever to repair, reconstruct or restore the Leased Premises when the damage

resulting from any casualty covered under this Paragraph 30 occurs during the last twenty-four (24) months of the Lease Term or any extension thereof.

Eminent Domain. If more than ten percent (10%) of the Floor Area of the Leased Premises (as conclusively determined by Landlord's architect) shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, either party hereto shall have the right, at its option, to terminate this Lease by giving the other party no less than thirty (30) days written notice thereof at any time after the date of such taking but prior to the date possession is delivered pursuant to said taking. Said termination shall be effective on the date possession is delivered pursuant to said taking. If either less than, or more than, ten percent (10%) of the Floor Area of the Leased Premises (as conclusively determined by Landlord's architect) are taken, and neither party elects to terminate as herein provided, the Rent thereafter to be paid shall be reduced in proportion to the Floor Area of the Leased Premises so taken and shall become effective on the date possession is delivered pursuant to said taking. If more than ten percent (10%) of the total Floor Area of the Landlord's Parcel (as conclusively determined by Landlord's architect) may be so taken or appropriated, Landlord shall have the right, at its option, to terminate this Lease by giving Tenant no less than thirty (30) days written notice of such election at any time after the date of such taking, but prior to the date possession is delivered pursuant to said taking. Said termination shall be effective on the date possession is delivered pursuant to said taking. In the event of any taking or appropriation whatsoever, Landlord shall be entitled to any and all awards, judgments or settlements which may be given and Tenant hereby assigns to Landlord all of its right, title and interest in any such award, judgment or settlement and Tenant shall have no claim against Landlord for the value of any unexpired portion of the Lease Term.

# 32. Assignment, Subletting and Ownership

- (a) Prohibition Against Transfer. Tenant shall not transfer, assign, sublet, mortgage or otherwise hypothecate this Lease, or any part thereof, or Tenant's interest in and to the Leased Premises, or any part thereof, nor enter into any license or concession or other use or occupancy agreement, written or oral, express or implied, with respect thereto, without first procuring the written consent of Landlord, which consent may shall not be unreasonably withheld. As a condition to the Landlord's consent to any Transfer, Tenant shall reimburse Landlord for all costs and expenses incurred by Landlord, including, without limitation, attorneys' fees up to \$2,500.00, in reviewing any proposed Transfer and preparing any necessary documentation in connection therewith. Any such attempted or purported transfer, assignment, subletting, mortgage, hypothecation, or agreement (hereinafter collectively referred to as a "Transfer"), whether by operation of law, bankruptcy or otherwise, without Landlord's prior written consent shall be void and of no force or effect and shall not confer any interest or estate in the purported transferee. Tenant acknowledges that, notwithstanding any Transfer, neither Tenant nor any guarantor of this Lease shall be released or discharged from any liability whatsoever under this Lease and will remain liable with the same force and effect as if no Transfer had been made.
- (b) <u>Waiver</u>. The consent by Landlord to any Transfer shall not constitute a waiver of the necessity for such consent to any subsequent attempted Transfer. Receipt by Landlord of Rent due under this Lease from any party other than Tenant shall not be deemed to be a consent to any such Transfer nor relieve Tenant of its obligation to pay rental or other charges for the full Term of this Lease. Tenant shall have no claim and hereby waives the right to any claim against

Landlord for damages by reason of any refusal, withholding or delaying by Landlord of any consent, and in such event Tenant's only remedies therefor shall be an action for specific performance or injunction to enforce any such requirement of consent.

Permitted Transfer. Landlord's consent for Tenant to transfer, assign, sublet this Lease shall not be required for a Transfer of this Lease from and after the third (3rd) Lease Year (i) to any person(s) or entity that controls, is controlled by, or is under common control with Lessee, (ii) to any entity resulting from the merger, acquisition, consolidation, or other reorganization with Lessee, whether or not Lessee is the surviving entity, (iii) to any person or legal entity that acquires all or substantially all of the assets or stock of Lessee (each of the foregoing is hereinafter referred to as a "Permitted Assignee"), or (iv) in connection with a sale of shares or other equity interests in Lessee pursuant to a registered public offering, provided that before such assignment shall be effective, (a) the Permitted Assignee shall deliver to Landlord a written document by which the Permitted Assignce assumes the obligations of Lessee under this Lease if the transaction involves an actual assignment of this Lease (e.g., if this Lease is assigned in connection with a sale of Lessee's assets), (b) Landlord shall be given written notice of such assignment, including a copy of the document(s) that evidence the assignment, (c) the use of the Premises by the Permitted Assignee shall be as set forth in the Lease, (d) the net worth of Permitted Assignee is no less than the net worth of Tenant as of the Effective Date or the date of such Transfer, whichever is greater. No assignment or sublet shall release Tenant or any guarantor of any of its obligations under this Lease or be construed as a waiver of any of Landlord's rights or remedies hereunder. A Transfer pursuant to this Paragraph 32(c) shall hereinafter be referred to as a "Permitted Transfer."

The term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management, affairs, and policies of anyone, whether through the ownership of voting securities, by contract, or otherwise. A Permitted Assignee shall be permitted to exercise Lessee's option to extend the term of this Lease.

# 33. Signs.

Tenant shall, at Tenant's sole cost and expense, erect one sign on Generally. the front of the Leased Premises, provided, however, Tenant shall not erect any signage on the Leased Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant's signage shall comply, in all events, with the COREA and the approval of the applicable governmental authorities. Tenant may not, under any circumstances, (a) place any signage on the building roof, canopy roofs extending above the building roof, penthouse walls or so as to project above the parapet, canopy or top of the wall upon which it is mounted or place any signage at any angle to the building; provided, however, the immediately foregoing sentence shall not apply to any sign located under a sidewalk canopy if such sign is at least eight (8) feet above the sidewalk; (b) paint any signs on the surface of the Leased Premises or any other surfaces of the Shopping Center; (c) install any flashing, moving or audible signs; (d) install any signs employing exposed raceways, neon tubes, ballast boxes or transformers; or (e) install any paper or cardboard signs, temporary signs, stickers or decals, whether in the windows of the interior or on the exterior of the Leased Premises (provided, however, the foregoing shall not prohibit the placement at the entrance of the Leased Premises of a small sticker or decal, indicating hours of business, emergency telephone numbers, acceptance of credit cards and other similar bits of information). At no time

may any signs or other advertising materials visible from outside of the Leased Premises occupy or obstruct more than twenty percent (20%) of the total window area of the Leased Premises. Tenant may not install any exterior sign that identifies leased departments and/or concessionaires operating under the Tenant's business or trade name, nor identify specific brands or products for sale or services offered within the Leased Premises, unless such identification is used as part of Tenant's trade name. Tenant shall, at its expense, maintain its signs in good condition and repair. Landlord shall have the right to remove any unauthorized signs and to charge Tenant, as additional Rent under this Lease, for the cost of such removal.

- b. Monument Sign. Tenant shall have the right to place one (1) sign panel on each side of one (1) monument sign designated by Landlord which services the Landlord's Parcel (the "Monument"). Tenant acknowledges that Tenant's sign panel shall be in the location on the Monument as designated by Landlord. Throughout the Lease Term, Tenant shall pay to Landlord, within ten (10) days of Landlord's invoice, Tenant's Monument Pro Rata Share (as hereafter defined) of the costs incurred by Landlord in operating, repairing and maintaining the Monument and Tenant's obligation to pay Tenant's Monument Pro Rata Share shall constitute additional rent under the Lease. Tenant's Monument Pro Rata Share shall mean the proportion that the square footage of Tenant's sign panel bears to the total square footage of all sign panels on the Monument. Tenant shall, at Tenant's sole cost and expense, maintain and repair Tenant's sign panels on the Monument. If Tenant fails or neglects to make adequate repairs to its sign panels within thirty (30) days after receipt of written notice from Landlord, Landlord shall have the same rights as Landlord has with respect to Tenant's failing to maintain the Leased Premises, as set forth in Paragraph 21 of this Lease.
- 34. Access to Leased Premises. Upon reasonable notice to Tenant, Landlord, Landlord's mortgagee, Landlord's beneficiaries and their respective partners, agents and employees will be permitted to enter the Leased Premises at reasonable times for the purpose of inspecting same, of making repairs, additions or alterations thereto or to the building in which the same are located, and of showing the Leased Premises to prospective purchasers, lenders and tenants. Landlord shall not place "For Rent" signs upon the Leased Premises prior to the expiration of the Lease Term or any extension thereof. Tenant agrees that any such entry shall not constitute eviction of Tenant in whole or in part and Rent shall not abate to any extent.
- 35. <u>Fixtures/Surrender of Leased Premises</u>. Tenant shall, at its sole cost and expense, remove, at the termination of this Lease (by lapse of time or otherwise), such of Tenant's goods and effects as are not permanently affixed to the Leased Premises; remove such of the alterations and additions and signs made or installed by Tenant as Landlord may request; repair any damage caused by such removal; and peaceably yield up the Leased Premises and all alterations and additions thereto (except such as Landlord has requested Tenant to remove) and all fixtures, furnishings, floor coverings and equipment permanently affixed to the Leased Premises (except such as Landlord has requested Tenant to remove), which shall thereupon become the property of Landlord, in clean and good order, repair and condition, reasonable wear and tear and damage by fire or other casualty excepted. Any personal property of Tenant not removed within five (5) days following such termination shall, at Landlord's option, become the property of Landlord. Any cost incurred by Landlord for removal and/or repair of such alterations, fixtures, furnishings, floor coverings and equipment will be charged to Tenant and said obligation shall survive the expiration of the Lease Term.

- Holdover. On the last day of the Term, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, Tenant shall quit and surrender the Leased Premises to Landlord "broom-clean" and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as Landlord is required to repair or restore under this Lease, and Tenant shall remove all of the Tenant's personal property therefrom, except as otherwise expressly provided in this Lease. If Tenant remains in possession after the Expiration Date or after any earlier termination date of this Lease or of the Tenant's right to possession (a) Tenant shall be deemed a tenant at will; (b) Tenant shall pay two hundred percent (200%) of the Minimum Rent last prevailing hereunder, and also shall pay all damages sustained by Landlord, consequential as well as direct, by reason of such remaining in possession after the expiration or termination of this Lease; (c) there shall be no renewal or extension of this Lease by operation of law, and (d) the tenancy at will may be terminated upon thirty (30) days' notice from Landlord; or, at the sole option of Landlord expressed by written notice to Tenant, but not otherwise, such holding over shall constitute a renewal of this Lease for a period of one (1) year on the same terms and conditions as provided in this Lease, except that the Minimum Rent shall be as specified in this Paragraph 36. The provisions of this Article shall not constitute a waiver by Landlord of any re-entry rights of Landlord provided hereunder or by law.
  - 37. Marketing Fund or Merchant's Association. Intentionally Omitted.
- Rules & Regulations. The Rules and Regulations attached to this Lease as Exhibit G are hereby made a part hereof, and Tenant agrees to comply with and observe said Rules and Regulations. Tenant's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Lease in the same manner as if said Rules and Regulations were contained herein as covenants. Landlord 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 the Leased Premises and the Shopping Center. Landlord shall not be responsible for any violations of said Rules and Regulations by other tenants in the Shopping Center. Notwithstanding anything to the contrary in the Rules and Regulations, Tenant is expressly granted the authority and approval by Landlord to do the following: (a) Utilize speakers for broadcasting music in Tenant's outdoor seating areas at commercially reasonable levels and in all events so as not to disturb other tenants or occupants of the Landlord's Parcel and in accordance with all applicable governmental requirements; (b) affix all components to the roof or roof membrane required for the installation of pickleball courts and operation of rooftop seating and operations. Notwithstanding the foregoing, Tenant will ensure that any installation on the roof will be done in accordance with local and building rules of construction and occupancy codes and Tenant shall repair all damage to the Leased Premises (including but not limited to the roof of the Leased Premises) caused as a result of Tenant's installation. Furthermore, any roof penetrations caused by Tenant shall not invalidate roof warranties, and any such roof penetrations shall be performed by Landlord's contractor at Tenant's expense if required in order to preserve roof warranties. Tenant shall cause any such rooftop equipment to be properly screened so as not be visible from the front of the Shopping Center.
- 39. <u>Tenant Default</u>. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:
  - (a) If Tenant abandons or vacates the Leased Premises; or

- (b) If Tenant fails to pay any Rent or any other charges required to be paid by Tenant within fifteen (15) days after the date due under this Lease; or
- (c) If Tenant fails to promptly and fully perform any other covenant, condition or agreement contained in this Lease and such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; provided, however, that if the nature of any such default is such that the same cannot be cured within thirty (30) days, Tenant shall have such additional period of time as may be necessary to cure such default provided that it commences to cure said default within the thirty (30) day period and proceeds diligently thereafter to complete such cure, and provided further that such default is cured within one hundred and twenty (120) days from the date of Landlord's notice to Tenant; or
- (d) If a writ of attachment or execution is levied on this Lease or on any of Tenant's Property that is not vacated or dismissed within forty-five (45) days from the issuance thereof; or
- (e) If Tenant makes a general assignment for the benefit of creditors, or provides for an arrangement, composition, extension or adjustment with its creditors; or
- (f) If Tenant files a voluntary petition for relief or if a petition against Tenant in a proceeding under the federal bankruptcy laws or other insolvency laws is filed and not withdrawn or dismissed within forty-five (45) days thereafter, or if under the provisions of any law providing for reorganization or winding up of corporations, any court of competent jurisdiction assumes jurisdiction, custody or control of Tenant or any substantial part of its property and such jurisdiction, custody or control remains in force unrelinquished, unstayed or unterminated for a period of forty-five (45) days; or
- (g) If in any proceeding or action which Tenant is a party, a Trustee, or receiver, agent or custodian is appointed to take charge of the Leased Premises or Tenant's Property (or has the authority to do so) for the purpose of enforcing a lien against the Leased Premises or Tenant's Property; or
- (h) If Tenant is a partnership or consists of more than one (1) person or entity, and if any general partner of the partnership or other person or entity is involved in any of the acts or events described in subparagraphs (d) through (g) above; and/or if there is a dissolution of the partnership; or
- (i) If Tenant shall falsify any report required to be furnished to Landlord under the terms of this Lease or if any warranty, representation or statement made or furnished by Tenant to Landlord at any time in connection with this Lease or any other agreement to which Tenant and Landlord are parties is determined to have been false or misleading in any material respect when made or furnished; or
- (j) If there shall be a material, adverse change in the financial condition of Tenant or any guarantor, which change, in Landlord's absolute opinion, affects the ability of such party to meet its obligations under this Lease or any guaranty of this Lease;
- (k) If any guarantor of this Lease shall die and Tenant shall fail, within sixty (60) days after the death of such guarantor, to replace said guarantor with a new guarantor with credit reasonably satisfactory to Landlord; or

- (I) If, on two (2) or more occasions during the Lease Term, Tenant defaults under the terms of this Lease in the manner described in either or both of (b) and (c) above in this Paragraph 39 [it being understood that a default under this Subparagraph (l) shall be automatically deemed to constitute a default which is incapable of cure].
- 40. <u>Landlord's Remedies</u>. In the event of Tenant's default hereunder, then in addition to any other rights or remedies Landlord may have under any law, Landlord shall have the right, at Landlord's option, without further notice or demand of any kind, to do the following:
- Remedies. In the event of any breach of this Lease by Tenant, Landlord [at its option, and after the proper notice (if any is required under this Lease), but without further notice or demand to Tenant], may, in addition to all other rights and remedies provided in this Lease, at law or in equity: (i) terminate this Lease and Tenant's right of possession of the Leased Premises, and recover all damages to which Landlord is entitled under law and equity, specifically including, without limitation, Rent for the balance of the Term, and all Landlord's expenses of reletting (including repairs, alterations, improvements, additions, decorations, legal fees and brokerage commissions) or (ii) terminate Tenant's right of possession of the Leased Premises without terminating this Lease; provided, however, that Landlord shall use its reasonable efforts, whether Landlord elects to proceed under Subparagraphs (i) or (ii) above, to relet the Leased Premises, or any part thereof for the account of Tenant, for such rent and term and upon such terms and conditions as are acceptable to Landlord. If Landlord shall elect to pursue its rights and remedies under Subparagraph (ii), then Landlord shall have the further right and remedy to rescind such election and pursue its rights and remedies under Subparagraph (i), if Landlord has obtained a tenant to relet the Leased Premises, which, in Landlord's reasonable judgment, is a suitable tenant. For purposes of such reletting, Landlord is authorized to decorate, repair, alter and improve the Premises to the extent deemed necessary by Landlord, in its sole discretion. If Landlord fails to relet the Leased Premises or if the Premises are relet and a sufficient sum is not realized therefrom, after payment of all Landlord's expenses of reletting (including repairs, alterations, improvements, additions, decorations, legal fees and brokerage commissions), to satisfy the payment, when due, of all Rent reserved under this Lease for any monthly period, then Tenant shall pay to Landlord a sum equal to the amount of Rent due under this Lease for each such monthly period, or if the Leased Premises have been relet, Tenant shall pay any such deficiency monthly. Tenant agrees that Landlord may file suit to recover any sums due to Landlord hereunder from time to time and that such suit or recovery of any amount due Landlord hereunder shall not be a defense to any subsequent action brought for any amount not theretofore reduced to judgment in favor of Landlord. In the event Landlord elects, pursuant to this Subparagraph 40(a), to terminate Tenant's right of possession only with process of law, without terminating this Lease, Landlord may, at Landlord's option, enter into the Leased Premises under the process of law, remove Tenant's personal property, Tenant's signs and other evidences of tenancy, and take and hold possession thereof; provided, however, that such entry and possession shall not terminate this Lease or release Tenant, in whole or in part, from Tenant's obligation to pay the Rent reserved hereunder for the full Term, or from any other obligation of Tenant under this Lease. Any and all property which may be removed from the Leased Premises by the Landlord pursuant to the authority of this Lease or of law, to which the Tenant is or may be entitled, may be handled, removed or stored by the Landlord at the risk, cost and expense of the Tenant, and the Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. The Tenant shall pay to the Landlord, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long

as the same shall be in the Landlord's possession or under the Landlord's control. Any such property of the Tenant not retaken from storage by the Tenant within thirty (30) days after the end of the Term, however terminated, shall be conclusively presumed to have been conveyed by the Tenant to the Landlord under this Lease as a bill of sale, without further payment or credit by the Landlord to the Tenant. Tenant hereby grants to Landlord a first lien upon the interest of Tenant under this Lease to secure the payment of moneys due under this Lease, which lien may be enforced in equity; and Landlord shall be entitled as a matter of right to have a receiver appointed to take possession of the Leased Premises and relet the same under order of court.

- (b) Additional Restrictions. With respect to provisions of 735 ILCS 5/9-213.1 (or any successor provision thereto) which requires that a landlord take reasonable measures to mitigate the damages recoverable against a defaulting tenant, Tenant agrees that Landlord shall have no obligation to relet the Leased Premises (i) before Landlord leases other comparable vacant space in the Shopping Center, or (ii) to any potential tenant who Landlord could reasonably reject as a Transferee, pursuant to Paragraph 32 above. So long as Tenant is in default under this Lease or any event or omission has occurred which, but for the giving of notice or the passage of time, or both, would result in a default by Tenant under the terms of this Lease, Landlord shall not be in default under the terms of this Lease if it fails to perform its obligations hereunder.
- 40A. Landlord Default. In addition to and without limiting any other provision of Lease granting Tenant remedies for a breach by Landlord, if Landlord defaults or fails to perform any of its representations, warranties, covenants or obligations under this Lease and fails to cure such default within thirty (30) days of written notice of such default from Tenant; provided, however, that if the nature of the default is such that it cannot reasonably be cured within the 30day period. Landlord shall not be deemed in default if it commences within such period to cure, and thereafter diligently prosecutes the same to completion within ninety (90) days of Tenant's notice of such default (or such lesser period of time after written notice of such default from Tenant as deemed reasonable under the situation), then Tenant shall have the right to send Landlord a second notice of such default and if Landlord does not cure such default within five (5) business days of such second notice then Tenant shall have the right to remedy such default for the account of Landlord; provided that the failure by Landlord to cure such default adversely affects Tenant's ability to conduct Tenant's business in the Premises or a material portion thereof. In the event Tenant undertakes such repairs and/or maintenance, and such work will affect the systems and equipment, any structural portions of the Building, and/or the exterior appearance of the Building, Tenant shall use only those unrelated third party contractors used by Landlord in the Building for such work unless such contractors are unwilling or unable to perform such work at competitive prices, in which event Tenant may utilize the services of any other qualified contractor which normally and regularly performs similar work in buildings comparable to the Building. Tenant shall comply with the other terms and conditions of this Lease if Tenant takes the required action, except that Tenant shall not be required to obtain Landlord's consent for such repairs. If Tenant performs any of Landlord's obligations under this Lease in accordance with the terms and conditions of this Section 40A, then Landlord shall be relieved of its obligation to perform the specific obligation so undertaken by Tenant, and Landlord shall reimburse Tenant's reasonable and actual out-of-pocket costs thereof, within thirty (30) days after receipt by Landlord of a statement as to the amounts of such costs (accompanied by reasonable supporting documentation), such costs together with such interest shall be credited against the next payment of Rent due from Tenant hereunder). For purposes of

this paragraph, a structural defect condition required to be repaired by Landlord that interferes with the Tenant's business operations, threatens to damage Tenant's personal property or threatens to injure people shall be deemed an emergency.

- 41. Waiver. The waiver by Landlord or Tenant of any term, covenant or condition herein contained must be in writing and shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding default by Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding default at the time of the acceptance of such rent.
- 42. <u>Joint Obligation</u>. If there be more than one Tenant, the obligations hereunder imposed shall be joint and several. 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 Tenants thereof.
- 43. Marginal Headings. The captions, margin headings, paragraph numbers, and index, if any, appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of this Lease nor in any way affect this Lease.
- 44. <u>Time of Essence</u>. Time is of the essence of this Lease and each and all of its provisions in which performance is a factor, and all provisions herein and all provisions relating thereto, shall be strictly construed.
- 45. <u>Successors and Assigns</u>. All of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. No third party, other than such heirs, legal representatives, successors and assigns, shall be entitled to enforce any or all of the provisions of this Lease or shall have any rights hereunder whatsoever.
- 46. Recording. Tenant shall not record this Lease without the written consent of Landlord, which consent may be withheld by Landlord in its sole and absolute discretion; however, upon the request of Landlord, the Tenant 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 Lease Term and shall incorporate this Lease by reference.
- 47. Quiet Enjoyment. Upon Tenant paying the Rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Leased Premises for the entire Lease Term hereof, subject to all the provisions of this Lease.
- 48. <u>Late Charges</u>. Tenant hereby acknowledges that late payment by Tenant to Landford of Rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain.

Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by terms of any mortgage or trust deed covering the Leased Premises. Accordingly, if any installment of Rent or any sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after said amount is due, Tenant shall pay to Landlord a late charge equal to five percent (5%) of such overdue amount, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges by the Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

- 49. <u>Prior Agreements/Amendments</u>. This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest.
- Force Majeure. Neither Party shall be liable to the other for any failure or delay of performance of any obligations under this Lease to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph. Force Majeure events shall include fire, explosion, earthquake, windstorm, flood, radioactive or toxic chemical hazard, war, military hostilities, terrorism, civil emergency, embargo, riot, strike, work stoppages, violent civil unrest, epidemics, pandemics or other similar cause wholly beyond the party's reasonable control, except that in no event shall any of the foregoing events or any other event of force majeure, impossibility, impracticability or frustration of purpose excuse performance by Tenant of all monetary obligations under the Lease, including without limitation, full payment of Rent, Real Estate Taxes, Insurance Payments, Common Area Charges or Administrative Fee.
- 51. <u>Partial Invalidity</u>. Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.
- 52. Attorneys' Fees. In the event of any action or proceeding brought by either party against the other under this Lease the prevailing party shall be entitled to recover from the other all costs and expenses including without limitation the fees of its attorneys in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable.
- 53. Sale of Premises. In the event of any sale of the Leased Premises by Landlord, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act,

occurrence or omission occurring after the consummation of such sale; and the purchaser, at such sale or any subsequent sale of the Leased Premises shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of the Landlord under this Lease.

# 54. Subordination Notice to Superior Lessors and Mortgagees and Attornment.

- Subordination of Lease. This Lease, and all rights of Tenant hereunder are, and shall be, subject and subordinate to all ground leases of the Shopping Center now or hereafter existing and to all mortgages, or trust deeds in the nature of a mortgage (both referred to hereafter as "mortgages"), which may now or hereafter affect or encumber the Shopping Center and/or any of such ground leases (whether or not such mortgages shall also cover other lands and/or buildings and/or leases). This subordination shall likewise apply to each and every advance made, or hereafter to be made, under such mortgages; to all renewals, modifications, replacements and extensions of such leases and such mortgages; and to spreaders and consolidations of such mortgages. This Paragraph 54 shall be self-operative and no further instrument of subordination shall be required. However, in confirmation of such subordination, Tenant shall promptly execute, acknowledge and deliver any instrument that Landlord, the lessor under any such ground lease, or the holder of any such mortgage (or their respective successorsin-interest), may reasonably request in order to evidence such subordination. If Tenant fails to execute, acknowledge or deliver any such instrument within ten (10) days after request therefor, Tenant hereby irrevocably constitutes and appoints Landlord as Tenant's attorney-in-fact, which appointment is agreed to be coupled with an interest, to execute and deliver any such instruments for and on behalf of Tenant. Any lease to which this Lease is subject and subordinate is hereinafter referred to as a "Superior Lease" and the lessor of a Superior Lease is hereinafter referred to as a "Superior Lessor"; and any mortgage to which this Lease is subject and subordinate is hereinafter referred to as a "Superior Mortgage" and the holder of a Superior Mortgage is hereinafter referred to as a "Superior Mortgagee." Notwithstanding the foregoing, at Landlord's election, this Lease may be made senior to the lien of any mortgage, if the mortgagee thereunder so requests.
- (b) Notice in the Event of Default. If any act or omission of Landlord would give Tenant the right, immediately or after the lapse of a period of time, to cancel or terminate this Lease or to claim a partial or total eviction, Tenant shall not exercise such right (a) until it has given, by registered or certified mail, or reputable overnight courier (such as Federal Express), written notice of such act or omission to Landlord and to each Superior Mortgagee and Superior Lessor whose name and address shall previously have been furnished to Tenant, and (b) until a thirty-day period for remedying such act or omission shall have elapsed following the giving of such notice; provided, however, that said 30-day cure period may be extended in the event that the act, or omission cannot, by its nature, be cured within thirty (30) days and Landlord is diligently proceeding to cure said default, but in no event more than one hundred and twenty (120) days.
- (c) <u>Successor Landlord</u>. If any Superior Lessor or Superior Mortgagee shall succeed to the rights of Landlord hereunder, whether through possession or foreclosure action or delivery of a new lease or deed, or otherwise, then, at the request of such party (hereinafter referred to as "Successor Landlord"), Tenant shall attorn to, and recognize, each Successor Landlord as

Tenant's landlord under this Lease and shall promptly execute and deliver any instrument such Successor Landlord may reasonably request to further evidence such attornment.

- 55. Notices. Notices and demands required or permitted to be given hereunder shall be given by personal delivery, reputable overnight courier (such as Federal Express) or registered or certified mail, postage paid, return receipt requested, and shall be addressed if to Tenant at 1017 N. Hooker Street, Chicago, Illinois 60642, Attn: General Counsel, and if to Landlord at 1307 Schiferl Road, Bartlett, Illinois 60103, Attn: Pat Greco, or at such other address that either party may designate by written notice to the other party. Notices and demands shall be deemed to have been given when delivered if personally delivered, one (1) business day after deposit with a reputable overnight courier for next business day delivery, or three (3) business days after deposit in the U.S. Mail by certified or registered mail.
- 56. Estoppel Certificate. At any time and from time to time, Tenant agrees, within fifteen (15) business days after receipt by Tenant of written notice from Landlord, to execute, acknowledge and deliver to Landlord and/or Landlord's mortgagee and/or any prospective purchaser, if requested, a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), the amount of Minimum Rent and other charges and the date to which said Minimum Rent and other charges have been paid, and such other terms as Landlord and/or Landlord's mortgagee and/or any prospective purchaser may require.
- 57. Commissions. Tenant warrants that it has had no dealings with any broker or agent in connection with this Lease. Tenant hereby indemnifies, protects, defends and holds Landlord, its beneficiaries and lenders harmless from and against any and all claims, causes of action, damages, costs, expenses (including, but not limited to, attorneys' fees of counsel selected by Landlord) or liabilities for any compensation, commissions, fees, and charges claimed by any other broker or other agent with respect to this Lease or the negotiation thereof. Landlord warrants that it has had no dealings with any broker or agent in connection with this Lease Landlord hereby indemnifies, protects, defends and holds Tenant, its beneficiaries and lenders harmless from and against any and all claims, causes of action, damages, costs, expenses (including, but not limited to, attorneys' fees of counsel selected by Tenant) or liabilities for any compensation, commissions, fees, and charges claimed by any other broker or other agent with respect to this Lease or the negotiation thereof.
- 58. No Offer. The submission of this Lease for examination does not constitute an offer to enter into a lease, and this Lease shall become effective only upon execution and delivery hereof by Landlord and Tenant.
  - 59. Relocation of Premises. Intentionally Omitted.
  - 60. Tenant's Environmental Indemnity.
- (a) <u>Definitions.</u> For purposes of this Paragraph 60, "hazardous substance" means any matter giving rise to liability under the Resources Conservation Recovery Act ("RCRA"), 42 U.S.C. Section 6901 et seq., the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 52 U.S.C. Sections 9601 et seq., the Illinois Environmental Protection Act ("IEPA"), or any common law theory based on nuisance or strict liability,

including without limitation, petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any federal, state, county, municipal, local or other statutes, laws, ordinances and regulations.

- (b) <u>Prohibition</u>. Tenant shall not conduct or authorize the generation, transportation, storage, treatment or disposal on or in the Shopping Center, or any portion of the Shopping Center, of any hazardous substance without prior written authorization by Landlord, which authorization may be withheld in Landlord's sole discretion, and the Tenant's failure to comply with the provisions of this Subparagraph 60(b) shall constitute a default under this Lease.
- (c) Remedial Action. If the presence, release, threat of release, placement on or in the Shopping Center, the Leased Premises, or any portion of the Shopping Center or the Leased Premises, or the generation, transportation, storage, treatment, or disposal at Shopping Center, the Leased Premises, or any portion of the Shopping Center or the Leased Premises of any hazardous substance by Tenant after the Initial Possession Date: (i) gives rise to liability (including, but not limited to, a response action, remedial action, or removal action) under RCRA, CERCLA, the IEPA, or any common law theory based on nuisance or strict liability, (ii) causes an adverse public health effect, or (iii) pollutes, or threatens to pollute, the environment, Tenant shall promptly take, at Tenant's sole cost and expense, any and all remedial and removal action necessary to clean up the Shopping Center, the Leased Premises, or any portion of the Shopping Center or the Leased Premises, and mitigate exposure to liability arising from the hazardous substance, whether or not required by law.
- (d) Tenant Indemnification. Tenant shall, and does hereby, indemnify, protect, defend and hold harmless Landlord, Landlord's mortgagee, Landlord's beneficiaries and their respective partners, agents and employees against and from any and all claims, damages, liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, attorneys' fees and court costs) suffered or incurred by any or all of the indemnified parties and arising from or as a result of any breach or default of Tenant in the performance of any of its obligations under this Paragraph 60.
- (e) <u>Landlord's Indemnification</u>. Landlord shall, and does hereby, indemnify, protect, defend and hold harmless Tenant, Tenant's beneficiaries and their respective partners, agents and employees against and from any and all claims, damages, liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, attorneys' fees and court costs) suffered or incurred by any or all of the indemnified parties and arising from or as a result of any breach or default of Landlord in the performance of any of its obligations under this Paragraph 60.
- 61. Reports by Tenant. Upon written request of Landlord, Tenant shall furnish to Landlord a written statement, certified by Tenant to be correct, setting forth the total gross sales made during the period designated by Landlord in its written request, which shall be held by Landlord confidentially and shall not be disclosed to any third-party without Tenant's written consent. For purposes of this Paragraph 61, the term "gross sales" shall be construed to include the dollar aggregate of the entire amount of charges from all business of Tenant and of all licensees, concessionaires and sub-tenants of Tenant, whether such business be evidenced by check, credit, credit card charge, charge account, exchange or otherwise. Nothing in this section shall be construed as granting Landlord any right to charge percentage rent.

- 62. Waiver of Trial by Jury. To the full extent permitted by law, Landlord and Tenant hereby waive all right to trial by jury in any claim, action, proceeding or counterclaim by either Landlord or Tenant against each other and any matter arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, or Tenant's use and occupancy of the Leased Premises and/or any emergency or statutory remedy.
- 63. Applicable Law and Construction. This Lease shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Illinois applicable to agreements made and to be performed wholly within said State. The invalidity or unenforceability of any provision of this Lease shall not affect or impair any other provision. The headings of the several articles and cross-references contained herein are for convenience only and do not define, limit, or construe the contents of such articles and cross-references.
- 64. Consent to Jurisdiction. THE PARTIES HEREBY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE FEDERAL DISTRICT COURT LOCATED IN THE JURISDICTION IN WHICH THE LEASED PREMISES ARE LOCATED AND OF ANY ILLINOIS STATE COURT SITTING IN THE COUNTY WHEREIN THE LEASED PREMISES ARE LOCATED, FOR THE PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS LEASE OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE PARTIES IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SAID COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.
- 65. <u>Limitation on Landlord's Liability.</u> Anything in this Lease to the contrary notwithstanding, Tenant shall look solely to the interest and estate of Landlord in the Landlord's Parcel for the collection of any judgment against Landlord for an event of default by Landlord under this Lease, subject, however, to the prior rights of any mortgagee which has complied with Paragraph 54 of this Lease, and no other assets of the Landlord or any of Landlord's members, shareholders, partners, officers or employees shall be subject to levy, execution or other judicial process for the satisfaction of Tenant's claim.
- shareholders, nor any beneficial owner of Tenant or of any such partner, member or shareholder (a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("OFAC") pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 (September 25, 2001) (the "Order"); (b) is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of OFAC or any other applicable requirements contained in any enabling legislation or other Executive Orders in respect of the Order (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"); (c) is engaged in activities prohibited in the Order; or (d) has been convicted, pleaded nolo contendere, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering.

- 67. No Anchor Tenants. Tenant hereby acknowledges that Landlord's right to enforce this Lease is not in any way dependent upon the existence of any other tenancies in the Shopping Center and that, except as set forth in Paragraph 16 above with respect to co-tenancy, Landlord shall have the right to enforce this Lease whether or not any other tenants in the Shopping Center are open for business or remain open for business following any such opening.
- 68. Sales Tax Reporting. Tenant agrees to supply to the City of St. Charles (the "City") a report, not less than each quarter, listing the total amount of sales made by Tenant or any other occupant of the Premises and the total amount of Retailers' Occupation Tax, Municipal Retailers' Occupation Tax and Service Occupation Tax paid with respect to such sales. In addition, Tenant agrees to execute a letter consenting to and authorizing the Illinois Department of Revenue (or other appropriate governmental entity) to disclose to the City, detailed information from tax returns filed with the State of Illinois as to the amount of Retailers' Occupation Tax, Municipal Retailers' Occupation Tax and Service Occupation Tax paid to the State of Illinois for sales at this location, a form of which is attached hereto and incorporated herein as Exhibit L.

[SIGNATURE PAGE TO FOLLOW]

- 67. No Anchor Tenants. Tenant hereby acknowledges that Landlord's right to enforce this Lease is not in any way dependent upon the existence of any other tenancies in the Shopping Center and that, except as set forth in Paragraph 16 above with respect to co-tenancy, Landlord shall have the right to enforce this Lease whether or not any other tenants in the Shopping Center are open for business or remain open for business following any such opening.
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[SIGNATURE PAGE TO FOLLOW]

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

# LANDLORD:

FHS PIAZZA LLC, a Delaware limited liability company

By: Pat Greco, Manager

# TENANT:

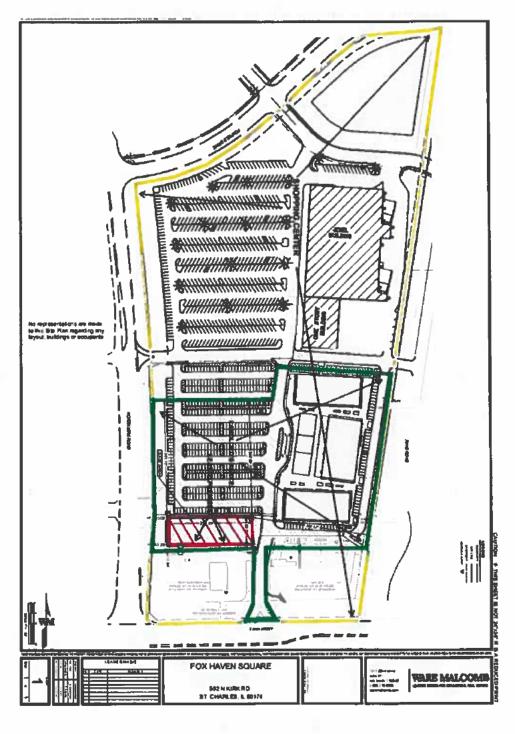
MOUNTAUK PICKLEBALL CLUB, LLC

a(n) Delaware limited liability company

By-Bradley Parker Its: Manager IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease the day and year first above written.

| LANDLORD:  |
|--|
| FHS PIAZZA LLC, a Delaware limited liability company |
| By:  |
| Pat Greco, Manager                                   |
|  |
| TENANT:  |
| MOUNTAUK PICKLEBALL CLUB, LLC                        |
| a(n) Delaware limited liability company              |
|  |
| Ву:  |
| Bradley Parker                                       |
| Its: Manager   |

# EXHIBIT A SHOPPING CENTER SITE PLAN



# **EXHIBIT A-1**

# LEGAL DESCRIPTION OF BUILDING AREA

[To be attached in accordance with the terms of Section 3(c) of the Lease.]

### **EXHIBIT B**

# LEGAL DESCRIPTION OF SHOPPING CENTER

LOTS 1-6 IN STUART'S CROSSING RETAIL, BEING A SUBDIVISION OF PART OF THE NORTHWEST ¼ OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED SEPTEMBER 15, 1998 AS DOCUMENT NUMBER 98K083752, IN KANE COUNTY, ILLINOIS.

PINS: 09-25-178-004 (Lot 1), 09-25-178-005 (Lot 2); 09-25-178-002 (Lot 3); 09-25-178-003 (Lot 4); 09-25-178-001 (Lot 5); 09-25-178-002; 09-25-128-001 (Lot 6)

# **EXHIBIT C**

# LEGAL DESCRIPTION OF LANDLORD'S PARCEL

LOT 4 IN STUART'S CROSSING RETAIL, BEING A SUBDIVISION OF PART OF THE NORTHWEST ¼ OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED SEPTEMBER 15, 1998 AS DOCUMENT NUMBER 98K083752, IN KANE COUNTY, ILLINOIS.

PINS: 09-25-178-003 (Lot 4)

# EXHIBIT D INTENTIONALLY OMITTED

# EXHIBIT E

# **DESCRIPTION OF TENANT'S WORK**

Tenant at Tenant's expense shall perform all work, other than Landlord's Work to put the Leased Premises in condition to permit Tenant to conduct its business in the Leased Premises, including without limitation, construction of the Building's shell and interior to conform to the Design Plans submitted by Tenant as approved by Landlord, along with the following:

- a. Building Shell Complete shell of the Building.
- b. Interior buildout of roughly 7,000 sq ft of restaurant/hospitality space, as well as finished pickleball courts and amenities per the plans approved by Landlord and Tenant.
- c. Footings.
- d. Foundation Walls.
- e. Exterior Walls.
- f. Interior Concrete.
- g. Rough Carpentry.
- h. Roofing.
- i. Exterior Doors.
- j. Fire Proofing.
- k. Painting.
- 1. Interior Plumbing.
- m. Automatic Fire Protection System shall be U.L. approved.
- n. Telephone.
- Entrance and Storefronts.
- Steel stud gypsum wall board.
- q. HVAC System to be designed with full distribution of supply air from roof top units (RTUs).

- r. Fire Alarm Detection automatic fire protection system required by the state and/or local governmental authorities.
- s. Warranties/guaranties The following warranties/guaranties shall be provided to Landlord from Tenant or the applicable contractors:
  - -- A one-year warranty/guaranty against any defects in work and materials.
  - -- The standard warranty provided by the manufacturer of the RTUs described in section q above.
  - -- A fifteen-year roof warranty/guaranty for the roof structure and membrane against leaks, and failure of material or seams or the installation thereof.

All warranties/guaranties periods shall commence upon substantial completion of Tenant's Work.

### **EXHIBIT F**

# **DESCRIPTION OF LANDLORD'S WORK**

Landlord shall, at its sole cost and expense, deliver possession to Tenant in the condition set forth in this Exhibit F.

- Plans & Reports. Landlord shall furnish the following scaled drawings and/or reports within 120 days of Lease execution:
  - A soil-boring plan showing the soil test borings within the building pad (four minimum) supplemented by a soil report to be obtained by Landlord to be prepared by a recognized soils engineering consulting firm describing existing site and building pad conditions with recommendations for excavation procedures, fill placement and building foundations.
  - Site grading plan showing existing and new contours drawn at two-foot intervals. On sites with less than 3% total slope, contours shall be drawn at one-foot intervals. Whether present or proposed, all buildings, improvements, roads, and highways, including those adjacent to the Leased Premises, shall be shown in their true relationship.
  - Permanent utilities plan with reference to all easements, utility location, size, and type of material for storm drainage, sanitary sewers, water, natural gas, electric distribution, telephone and cable television.
  - Paving and parking plan detailing all curbs, retaining walls, berms, striping, signalization, traffic and directional signing, areas of heavy-duty paving and concrete aprons in loading areas.
  - Fire truck study completed showing access/turns into the property.
  - Site lighting plan including photogrammetric curves, circuiting, pole and luminaire catalogue cuts, detail of the base and all relevant information needed to evaluate the lighting plan.
  - Landscaping plans.
  - Copies of all applicable zoning and site plan approval documents, whether proposed
    or approved, including building and signage restrictions, to the extent available.
  - Environmental Phase I report.
- 2. <u>Initial Possession Date</u>. Upon 90 days' prior written notice to Tenant, Landlord shall deliver the following:
  - a. Compaction. Landlord shall provide a certified 95% (standard proctor ASTMD-698) compacted building pad with a minimum 2,500 psf bearing capacity at 10" below F.F. with a maximum vertical potential movement of 1 ½" and a maximum differential movement of ½" across the pad. Grading specifications are as follows:

- All side slopes shall be 2:1 maximum and precautions shall be taken (for example, sodding and other planting for stabilization) to preserve the integrity of the slopes.
- The building pad (including any cooler area) shall be compacted to a level 10" below the finished floor elevation and shall be not less than 95% maximum density for cohesionless soil material in accordance with ASTM-D-698. Any patio area(s) or trash area shall be compacted to a level eight inches below the finished floor elevation to not less than 90% maximum density in accordance with ASTM-D-698. The adjacent areas shall be rough graded to an elevation suitable for the hardscape and landscape on the Leased Premises and adjacent areas. All compacted areas of the site shall be verified by an independent professional soils engineering test laboratory. As a condition of the delivery of the pad site to Tenant, Landlord shall furnish to Tenant a certificate from a geotechnical engineer certifying to Tenant that the building pad was prepared to the specifications set forth above (or setting forth the actual specifications).
- All building pad and adjacent soil shall have a minimum bearing capacity of 2500 pounds per square foot and shall be free of any demolition or construction debris such as asphalt, concrete, brick and the like.
- The Landlord, at its cost, shall abandon and remove all existing utilities to a point ten (10) feet minimum outside the footprint of the proposed building.
- Appropriate erosion control as required by applicable governmental requirements shall be provided.
- b. <u>Utility Stubs.</u> Utility stubs for the utilities set forth in Section 3 below shall be installed within five (5) feet of the building pad. Actual utilities to be provided as set forth in Section 3 below.
- 3. <u>Utility Possession Date</u>. Within 12 months after the Initial Possession Date, Landlord shall deliver the following permanent utilities, subject to delays based on the availability and scheduling of such utilities by all applicable governmental authorities and/or utility providers:
  - a. Electrical Service. Landlord shall deliver electrical service to the pad in a mutually acceptable location that will supply Tenant 208/120 volts, 3-Phase, 4 wire; 1200-amp service or two (2) 600-amp service and will include any transformers, switchgears, meters and disconnects and/or other equipment (including the installation thereof) which may be required to furnish or deliver such service. Landlord shall provide the energized site transformer and all conduit to a location agreed upon by Tenant and within 10 feet of the building footprint that will supply 208/120 volts, 3-phase, 4 wire; with ground electrical service of either 1200 amp capacity. Any step-down transformers that are needed will be paid for by Landlord but, design and install will be completed by Tenant. Alternatively, to the extent that a transformer capable of providing a 1200 amp service is not available on or before the Utility Possession Date, Landlord and Tenant shall work together in good faith to allow Landlord to deliver two (2) transformers with 600 amp capacity each or such other combination as may be readily available from the City of St. Charles.

- b. Water Service. Landlord shall install the following water service within 10' of the building footprint per Tenant's plans: 2 1/2" domestic water line with 65psi of pressure after the backflow preventer to comply with state, local and utility codes, 6" sprinkler/fire line. Additionally, Hydro & Chlorination tests shall be provided prior to delivery. If this is not allowed to happen before the building is in place per code, then Landlord will be responsible for such testing and will need to coordinate with Tenant on timing.
- c. <u>Gas Service</u>. Landlord shall deliver adequate gas service per local utility requirements to the building footprint per Tenant's plans supplying no less than required by applicable governmental laws. Gas service shall be a low-pressure outlet (or high pressure if required by applicable local laws and/or regulations) from the meter and shall be sized to accommodate pressure loss from the distance to the meter location. If low pressure is not available, then the Landlord will be responsible to pay for all regulators needed on the equipment to step down the gas pressure.
- d. Sanitary Sewer, Storm line and Grease Line. Landlord shall stub a 6" sanitary sewer line with a minimum invert (-) 60 inches within 10' of the building footprint and a 4" grease line no less than 60 inches below finished floor elevation per Tenant's plans. The Landlord will also supply an 8" storm line within 10' of the building footprint at a minimum of (-) 60" invert. Landlord shall also provide a new exterior grease interceptor sized to comply with local codes for Tenant's restaurant type and vented to comply with local codes. The exterior grease interceptor(s) is to be no less than as required by local regulations, and the grease line is to be tied to the sanitary line outside by Landlord. Sanitary sewer lines, storm sewer lines and other utility lines, conduits, ducts, or systems shall not be constructed or maintained above ground level and shall conform to all applicable governmental standards.
- Telephone/Telecom. Landlord shall provide 2" 3" conduits with pull strings stubbed within 10' of the building footprint.
- 4. <u>Final Possession Date</u>. The following work shall be completed no later than sixty (60) days prior to Tenant's opening or as soon thereafter as weather reasonably permits, asphalt plants are open for the season, all fences, materials, equipment and other obstructions which may interfere or hinder Landlord's ability to complete such work have been removed by Tenant and Landlord's landscaper believes the landscaping work can be done so as to minimize any loss of plantings due to freezing temperatures or similar weather events:
  - a. Parking Lot and Lighting. Landlord shall provide all parking and lighting in accordance with local, state, and national codes and in accordance with any approved variations.
  - b. <u>Landscaping</u>; <u>Site Work</u>. Landlord shall provide all landscaping and sidewalks in accordance with all codes per Landlord's design. Any additional landscaping or sidewalk design shall be completed by Tenant at Tenant's expense.

# 5. General Conditions of Landlord's Work.

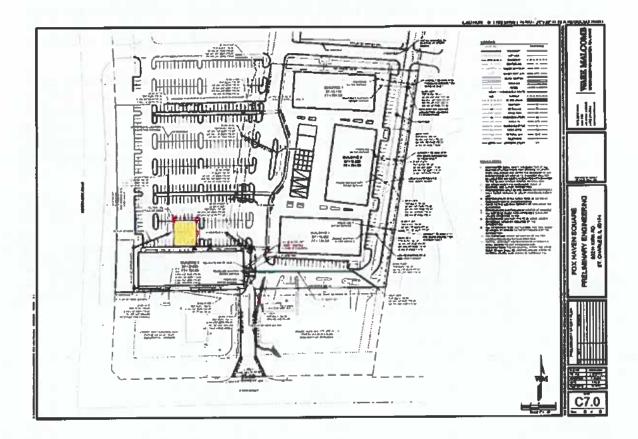
a. <u>Tap and Impact Fees</u>. Landlord shall pay for all connection fees, mitigation fees, development fees, tap fees, traffic fees, utility fees, road and impact fees levied by the city, county, state, or federal jurisdiction. Additionally, Tenant shall not be required to pay any so-called chargebacks to Landlord.

- b. <u>Temporary Signage</u>. Subject to compliance with all applicable governmental requirements and Landlord's prior written approval, Landlord shall permit Tenant to place temporary signs to indicate Tenant's hiring and impending occupancy of the space during the period from lease execution until opening of the restaurant and, grand opening signage until thirty (30) days after opening. Tenant shall be responsible for all sign permits.
- c. <u>ADA.</u> All of Landlord's Work shall comply with all applicable laws and codes, including, without limitation, the Americans with Disabilities Act as applicable to the Common Areas. Landlord's Work shall be completed in a good and workmanlike manner.
- d. <u>Staging Area</u>. Landlord shall provide contractor staging area in the location and size set forth on the Site Plan attached hereto as <u>Exhibit F-1</u> and incorporated herein by reference. All dumpsters, storage containers, lay down space for steel, construction trailer and hiring trailer shall be contained within such staging area. Upon Landlord's request, which request shall occur no more than once, Tenant shall relocate such staging area to an alternate location designated by Landlord, provided, however, in no event shall Tenant be required to move its hiring trailer.
- e. General Contractor & Designer. Any general contractor, engineer, architect/designer or other design professional retained by Tenant shall be subject to the prior written approval of Landlord.
- f. Soil Remediation. So long as Landlord's geotech field consultant is utilized for the excavation of the building foundations, Landlord will be responsible for any structural fill or special foundation work beyond shallow spread footing foundation system, at the recommended frost line, under walls and standard column foundations (i.e. caissons, grade beams, etc.).

### **EXHIBIT F-1**

# STAGING AREA

[This exhibit is attached solely to designate the staging area below. Landlord makes no other representation or warranty regarding any information set forth on this Exhibit.]



| RULES AND REGULATIONS      |    |   |  |  |
|----------------------------|----|---|--|--|
| Trash                      | 1. | All garbage and refuse shall be kept in the kind of containers specified by Landlord, and shall be placed outside of the Leased Premises prepared for collection in the manner and at the times and places specified by Landlord. If Landlord shall provide or designate a service for picking up refuse and garbage, Tenant shall use same at Tenant's cost. Tenant shall pay the costs of removal of any of Tenant's refuse or rubbish. Tenant shall not permit any dumping, disposing, incineration or reduction of garbage, except as set forth in these Rules and Regulations. |  |  |
| Deliveries                 | 2. | All loading and unloading of goods and any other deliveries shall be<br>done only at such times, in the areas, and through the entrances,<br>designated, for such purposes by Landlord.   |  |  |
| Noise                      | 3. | 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 Leased Premises without the prior written consent of Landlord.   |  |  |
| Employee<br>Parking        | 4. | Tenant and Tenant's employees shall park their vehicles only in those portions of the parking area designated as employee parking areas on the Shopping Center Site Plan.   |  |  |
| Temperature<br>Maintenance | 5. | 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.   |  |  |
| Extermination              | 6. | Tenant shall use, at Tenant's sole cost and expense, such pest extermination contractor as Landlord may direct and at such intervals as Landlord may require.   |  |  |
| Sidewalks                  | 7. | The outside sidewalk area immediately adjoining the Leased Premises shall be kept clean and free from snow, ice, dirt and rubbish by Tenant to the satisfaction of Landlord, and Tenant shall not place or permit any obstructions or merchandise in such areas.  |  |  |
| Outside<br>Displays        | 8. | Tenant shall not use any of the Shopping Center common areas for display and/or sale of merchandise without the express written approval of Landlord, which approval may be given or withheld in Landlord's sole discretion.  |  |  |

Roof

9. Tenant shall not affix anything to the roof of the Leased Premises and Shopping Center and shall not bore any holes through the roof for any purpose whatsoever.

Lighting

10. Tenant shall light its signs and its display windows, if any, each and

 Tenant shall light its signs and its display windows, if any, each and every day of the Term, during those hours designated by Landlord.

Awnings 11. Omitted.

Aerials or
Antennas

12. No radio or television aerial or any other aerial shall be erected on the roof or exterior walls of the Leased Premises or the building of which they form a part, or on the Shopping Center grounds without, in each instance, the prior written consent of Landlord, which approval may be given or withheld in Landlord's sole discretion.

Going-Out-of13. No auction, fire, bankruptcy, going-out-of-business or distress sales
Business Sales shall be conducted on or about the Leased Premises.

Noxious

14. Tenant shall not make or permit any emission of odor, dust, smoke or gases that Landlord, in its sole and absolute discretion, deems objectionable to emanate from the Leased Premises. Tenant shall not install an air scrubber unless otherwise required by the applicable governmental authorities or otherwise required in order to comply with the terms of this Lease.

Lodging 15. No person shall use the Leased Premises as sleeping quarters, sleeping apartments or lodging rooms.

16. Except as otherwise specifically permitted in the Lease, Tenant shall not operate any coin or token operated vending machine or similar device for the sale of any goods, wares, merchandise, food, beverages or services, including, but not limited to, pay telephones, pay lockers, pay toilets, scales, amusement devices and machines for the sale of foods, beverages, candy, tobacco products or other commodities or any moving sign or fixture of any kind without prior written consent of Landlord.

Vending

Machines

#### EXHIBIT H

### **CORPORATE GUARANTY**

In consideration of, and as an inducement for the granting, execution and delivery of the March 21, , 2024 (hereinafter called the "Lease"), foregoing Shopping Center Lease dated by FHS PIAZZA LLC, a Delaware limited liability company, the Landlord therein named (hereinafter called the "Landlord") to MONTAUK PICKLEBALL CLUB, LLC, a Delaware limited liability company, the Tenant therein named (hereinafter called the "Tenant"), and in further consideration of the sum of One (\$1.00) Dollar and other good and valuable consideration paid by the Landlord to the undersigned (hereinafter called the "Guarantor"), Guarantor hereby guarantees as to the Landlord, its successors and assigns, the full and prompt payment of Rent and additional rent, including, but not limited to, the Minimum Rent, Tenant's proportionate share of Insurance Payments, Real Estate Taxes, Common Area Charges, utility charges, and other sums and charges payable by the Tenant, its successors and assigns, under the Lease, and full performance and observance of all covenants, terms, conditions and agreements therein provided to be performed and observed by Tenant, its successors and assigns; and the Guarantor hereby covenants and agrees that if default shall at any time be made by the Tenant, its successors and assigns, in the payment of any such Rent and additional rent, payable by the Tenant under said Lease, or in the performance of any of the terms, covenants, provisions or conditions contained in said Lease, the Guarantor will forthwith pay such Rent and additional rent to the Landlord, its successors and assigns, and any arrearage thereof, and will forthwith faithfully perform and fulfill all of such terms, covenants, conditions and provisions and will forthwith pay to the Landlord all damages that may arise in consequence of any default by the Tenant, its successors and assigns, under the Lease including, without limitation, all reasonable attorney's fees incurred by the Landlord or caused by any such default and by the enforcement of this Guaranty.

This Guaranty is an absolute, continuing and unconditional Guaranty of payment and of performance. It shall be enforceable against the Guarantor, its successors and assigns, without the necessity for any suit or proceedings on the Landlord's part of any kind or nature whatsoever, against the Tenant, its successors and assigns, and without the necessity of any notice of nonpayment, non-performance, or non-observance or any notice of acceptance of this Guaranty or any other notice or demand to which the Guarantor might otherwise be entitled, all of which the Guarantor hereby expressly waives; and the Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of the Guarantor hereunder shall in no way be terminated, affected or impaired by reason of the assertion or the failure to assert by the Landlord against the Tenant, or the Tenant's successors and assigns, of any of the rights and remedies reserved to the Landlord pursuant to the provisions of the Lease. Guarantor further waives any claims or defenses available to Tenant under the Lease, or otherwise. Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall in no way be terminated, affected, diminished or impaired by reason of (a) the assertion or the failure to assert by Landlord against Tenant of any of the rights or remedies reserved to Landlord pursuant to the terms, covenants and conditions of the Lease, or (b) any non-liability of Tenant under the Lease, whether by insolvency, discharge in bankruptcy, or any other defect or defense which may now or hereafter exist in favor of Tenant other than defects or defenses based on Landlord's default under the Lease. The Guaranty shall be a continuing Guaranty, and the liability of the Guarantor hereunder shall in no way be affected, modified or diminished by reason of any assignment, renewal, modification or extension of the Lease or by reason of any modification or waiver of or change in any of the terms, covenants, conditions or provisions of the Lease, or by reason of any extension of time that may be granted by the Landlord to the Tenant, its successors and assigns, or by reason of any dealings or transactions or matters or things occurring between the Landlord and the Tenant, its successors and assigns whether or not notice thereof is given to the Guarantor (all of which Guarantor expressly authorizes Landlord to do without notice to or demand of Guarantor). This Guaranty cannot be assigned, transferred, modified, changed, altered or terminated in any manner whatsoever without the express written consent of the Landlord.

Notwithstanding anything to the contrary contained herein and provided (i) neither Tenant nor Guarantor is in default of the Lease or this Guaranty and (ii) the net tangible assets of the Permitted Assignee at the time of a proposed Permitted Transfer (as defined in Paragraph 33(c) of the Lease) are equal to or greater than the net assets of the then current Tenant at the time of the Permitted Transfer, Guarantor shall be released hereunder in the event of a Permitted Transfer occurring from and after the third (3rd) Lease Year, so long as Guarantor's obligations hereunder are assigned to and assumed by a Qualified Replacement Guarantor. Landlord's consent shall be required for any assignment of the Guarantor's obligations under this Lease for any period occurring prior to the first day of the fourth (4th) Lease Year, which consent shall not be unreasonably withheld so long as such replacement Guarantor is a Qualified Replacement Guarantor. For purposes of this paragraph, a "Qualified Replacement Guarantor" shall be an entity which has at least \$10,000,000 of tangible net assets, as reflected on Qualified Replacement Guarantor's 12-month consolidated GAAP financials (audited by an independent CPA) for each of the two (2) years preceding the date of the Permitted Transfer. Upon such assumption and upon delivery of written notice to Landlord, together with all such information as may be required to determine that the Qualified Replacement Guarantor has met the financial conditions set forth above, Guarantor shall be released from its liabilities and obligations hereunder to the extent relating to matters first arising after, and to the extent expressly assigned to and assumed by such Qualified Replacement Guarantor, the date of such assumption. In connection with the foregoing, promptly upon request from Guarantor, Landlord shall provide to Guarantor a signed written release of Guarantor's obligations hereunder in a commercially reasonable form, provided that the delivery (or non-delivery) of such written release shall have no effect on the automatic release provided for hereunder and Guarantor and Qualified Replacement Guarantor shall promptly provide Landlord with an affirmation of Qualified Replacement Guarantor's obligations under this Guaranty together with all such information required by Landlord to confirm such assumption and the satisfaction of the requirements set forth in this paragraph.

To the full extent permitted by law, Guarantor hereby waives all right to trial by jury in any claim, action, proceeding or counterclaim by Guarantor against Landlord and any matter arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, or Tenant's use and occupancy of the Leased Premises and/or any emergency or statutory remedy.

Guarantor hereby irrevocably authorizes Landlord, from time-to-time, to perform searches for credit information and to order credit bureau reports concerning Guarantor. The foregoing authorization shall continue until the latter to occur of (i) the full and complete performance by

| Tenant  | of each  | and every  | obligation  | of Tenant  | under the   | Lcase; a | nd (ii) t | he full a | ind complete |
|---------|----------|------------|-------------|------------|-------------|----------|-----------|-----------|--------------|
| perform | nance by | y Guaranto | of each and | d every ob | ligation of | Guaranto | r under t | his Gua   | ranty.       |

DATED: March 21 , 2024

Hampton Social Ventures, LLC, a Delaware limited liability company

By: Manager

ADDRESS:

1017 N. Hooker Street Chicago, Illinois 60642

# EXHIBIT I COPY OF COREA

(See Attached)



This Document Prepared By and Return to: Lawrence J. Moss D'Ancona & Pflaum 30 North LaSaile Street Sulto 2900 Chicago, IL 60602

98K082487

FILED FOR RECORD KANE COUNTY ILL. -

98 SEP 11 AH 11:00

6 m. R. RECORDER

CONSTRUCTION, OPERATION AND RECIPROCAL EASEMENT AGREEMENT

THIS AGREEMENT is made this 5th day of Aut St , 1998, by and between H.P. KIRK PARTNERS, L.L.C., an Illinois limited liability company ("Developer"), INLAND REAL ESTATE CORPORATION, a Maryland corporation ("Inland"), WEST SUBURBAN BANK, an Illinois corporation, not individually but as Trustee under Trust Agreement dated July 24, 1998 and known as Trust No. 10755 (the "Bank"), and H.P. KIRK PARTNERS II, L.L.C., an May 8.80 Illinois limited liability company ("Kirk").

WITNESSETH: CHICAGO TITLE INSURANCE CO.

WHEREAS, Inland is the owner of that certain unimproved real-property ocated in the City of St. Charles, County of Kane, State of Illinois, which property is legally described on Exhibit A hereto (the "Shopping Center"); and

WHEREAS, the Bank is the owner of that certain real property adjacent to the Shopping Center, which property is legally described on Exhibit B hereto (the "Bank Parcel"); and

WHEREAS, Kirk is the owner of that certain unimproved real property adjacent to the Shopping Center and the Bank Parcel, which property is legally described on Exhibit C hereto (the "Kirk Parcel") (the word "Parcel" when used herein shall mean either the Shopping Center, the Bank Parcel or the Kirk Parcel, depending on the context in which such word is used; all Parcels collectively are referred to as the "Property"); and

WHEREAS, Developer is constructing improvements on the Shopping Center on behalf of Inland pursuant to that certain Purchase and Development Agreement and Escrow Instructions, dated June 12, 1998 between Inland and Developer; and

WHEREAS, Developer, Inland, the Bank, and Kirk desire to create and acquire certain additional rights in their respective Parcels and to apportion certain rights and obligations.

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NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

### **ARTICLE 1**

### Easements

# Section 1.1 Easements for Use of Common Areas.

- (a) Each party hereby grants to the other parties, their successors and assigns, the right, privilege and easement to use each portion of the parking areas (except to the extent that such grant of parking rights would cause the grantor thereof to be in violation of applicable governmental parking standards or requirements), drive aisles, sidewalks, walkways and roadways (the "Common Areas") constructed on its respective Parcel as such areas may exist from time to time for its respective intended purposes; such easements to be for the non-exclusive use of the grantee thereof and its licensees and invitees, in common with grantor, its licensees and invitees, for the following purposes:
  - casements to use the respective parking facilities for the parking of passenger motor vehicles and passage by pedestrians;
  - (2) easements to use the various roadways to provide passage by motor vehicles and pedestrians between all Parcels and the adjoining public highways or private roads and to provide passage between the various portions of all Parcels; and
  - (3) easements to use the various sidewalks and walkways to provide passage by pedestrians between the various portions of all Parcels.
- change and relocate portions or all of said areas and the right to use portions of the Common Areas on such grantor's Parcel for temporary construction staging or for the sale of merchandise or services, so long as reasonable rights of each grantee for parking and access are maintained. No party shall cause an obstruction in a manner which would prevent access, ingress or egress to the Common Areas on its respective Parcel either from the public or private roads abutting said areas or from any other party's Parcel. Nor shall any party impose any charge for parking on its Parcel, except by mutual agreement. Notwithstanding the foregoing, each party may designate an area on its Parcel which shall be for the exclusive parking by employees. Each party may erect appropriate signage clearly designating such area as exclusive employee parking and stating that each party may have any vehicles wrongfully parked in such area towed from such area at the vehicle owner's expense. Any removal of vehicles from such areas shall be performed in accordance with applicable law.

Section 1.2 Basements for Utilities. Each party hereby grants to the other parties, their successors and assigns:

- (a) The nonexclusive, mutual, and reciprocal right and easement to tie into, connect with, and use water, sanitary and storm sewer, telephone, and electric lines, conduits, transmission and other similar utility facilities situated in its respective Parcel, for the purpose of servicing the buildings to be developed on the others' Parcels, provided (i) the tie-in is completed at the sole cost and expense of the party exercising such right and shall not require the alteration of any improvements then existing, including the repair and/or replacement of all damage so occasioned by the same; (ii) the party exercising such right pays for all utility services consumed on the benefited parcel pursuant to separate billing by the respective utility.
- (b) The nonexclusive, mutual, and reciprocal right and easement to enter upon its respective Parcel for the purposes of the furtherance of the rights and easements granted pursuant to Section 1.2(a) hereof, provided the party exercising such right promptly repairs all damage occasioned thereby to the condition of the property existing immediately prior to such work and indemnifies, defends and holds the other harmless from and against all liability, damage, cost, and expense occasioned thereby.

Section 1.3 Easement for Storm Drainage. Inland hereby grants to the Bank and Kirk, their successors and assigns the perpetual, non-exclusive right, privilege and easement ("Drainage Easement") to drain storm water over and across the portions of the Shopping Center designated by Inland from time to time in order to direct the flow of such storm water to the detention pond to be constructed on the parcel described on the attached Exhibit D (the "Detention Pond"). Provided such improvements are initially constructed, Inland shall maintain, repair and replace the Drainage Easement and the improvements thereon as may be necessary to maintain unabated the ability of the Bank and Kirk to drain storm water across the Easement. The Bank and Kirk shall each reimburse Inland its respective Proportionate Share (defined below) of all reasonable costs which Inland may incur in maintaining, repairing and replacing the Drainage Easement facilities (but in no event including costs to initially design and install the improvements therein), such amounts to be paid within thirty (30) days of delivery of a request by Inland for payment, which request shall include adequate documentation regarding such costs.

Section 1.4 Easement for Access. Inland hereby grants to the Bank and Kirk and their tenants and their respective successors, assigns, guests, invitees, employees, agents and contractors the non-exclusive right, privilege and easement to have vehicular and pedestrian ingress and egress upon, over and across the driveway areas of the Shopping Center, as they may exist from time to time, for access to Route 64, Kirk Road, Foxfield Road, and Stuart's Drive ("Public Roads"). Provided such improvements are initially constructed, Inland shall maintain, repair and replace the driveway areas and the improvements as may be necessary to maintain unabated the ability of the Bank and Kirk to access the Public Roads. The Bank and Kirk shall each reimburse Inland its respective Proportionate Share of all reasonable costs which Inland may incur in maintaining, repairing and replacing the main driveway providing access to the Property from Route 64 (North

Avenue), such amounts to be paid within thirty (30) days of delivery of a request by Inland for payment, which request shall include adequate documentation regarding such costs.

Section 1.5 Extinguishment of Easements. Any of the easements granted hereby may be (a) released or extinguished or (b) amended, waived or modified by instrument in recordable form executed by the owners and mortgagees, if any, of the parcels burdened and benefitted by the respective easement(s) affected thereby.

Section 1.6 Non-Dedication. It is mutually agreed that the grants contained in this Article are not intended and shall not be construed as a dedication of the respective Parcels for public use and the parties hereto shall take whatever steps may be necessary to avoid such dedication.

Section 1.7 Prior Restrictions. All of the easements granted herein are subject to the terms and conditions of all previously recorded easements and restrictions affecting the Parcels.

Section 1.8 Proportionate Shares. The Proportionate Shares of each of the parties, based on the ratio of the square footage of its respective Parcel to the total square footage of all Parcels, is as follows:

| Inland | 87.70% |
|--------|--------|
| Bank   | 06.25% |
| Kirk   | 06.05% |

## ARTICLEI

# Maintenance and Operation of Common Areas and Improvements

Section 2.1 Maintenance of Improvements. Each party agrees that it shall, without any expense to any other party, maintain or cause to be maintained all improvements on its Parcel in good order and condition and state of repair to the standards of a first-class shopping center.

Section 2.2 Improvements to the Bank Parcel. All improvements on the Bank Parcel shall be constructed in accordance with this Agreement and the site plan attached hereto as Exhibit D. No structure (including signs) on the Bank Parcel shall exceed twenty-four (24) feet in height above adjacent grade, as measured according to City of St. Charles Building Code. The total building area on the Bank Parcel may not contain more than five thousand (5,000) square feet of floor area. The building cannot contain more than one story, and shall be constructed within the building area shown on Exhibit D. The number of parking spaces on the Bank Parcel shall not be less than six spaces per one thousand square feet of gross usable area of said building.

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The Bank shall submit plans and specifications for any improvements on the Bank Parcel to the Developer and Inland for approval. The Developer and Inland shall not unreasonably withhold approval of the Bank's final plans and specifications. Any improvements on the Bank Parcel shall be constructed in substantial conformance with the approved plans and specifications.

In the event of any damage or destruction to the improvements located on the Bank Parcel, the Bank shall either promptly repair or restore the improvements to the condition which existed prior to the damage or destruction within six (6) months from the date of such damage or destruction or in the alternative raze and remove such improvements and landscape the Bank Parcel in a first-class manner within the same time period.

Section 2.3 Improvements to the Kirk Parcel. All improvements on the Kirk Parcel shall be constructed in accordance with this Agreement and the site plan attached hereto as Exhibit D. No structure (including signs) on the Kirk Parcel shall exceed twenty-four (24) feet in height above adjacent grade, as measured according to City of St. Charles Building Code. The total building area on the Kirk Parcel may not contain more than the number of square feet of floor area permitted by the City of St. Charles. The building cannot contain more than one story, and shall be constructed within the building area shown on Exhibit D. Kirk shall provide for a number of parking spaces on the Kirk Parcel which shall be in accordance with the City of St. Charles Building Code and shall in no event be less than four spaces per one thousand square feet of gross usable area of said building.

Kirk shall submit plans and specifications for any improvements on the Kirk Parcel to the Developer and Inland for approval. The Developer and Inland shall not unreasonably withhold approval of Kirk's final plans and specifications. Any improvements on the Kirk Parcel shall be constructed in substantial conformance with the approved plans and specifications.

In the event of any damage or destruction to the improvements located on the Kirk Parcel, the Kirk shall either promptly repair or restore the improvements to the condition which existed prior to the damage or destruction within six (6) months from the date of such damage or destruction or in the alternative raze and remove such improvements and landscape the Kirk Parcel in a first-class manner within the same time period.

Section 2.4 Improvements to the Shopping Center. Inland (acting through Developer) shall design, install, maintain and replace as reasonably necessary the driveway, drainage, parking, landscaping and other similar improvements in the Common Areas consistent with the site plan attached hereto as Exhibit D and of a quality consistent with other comparable shopping centers in the area. In the event of any damage or destruction to the improvements located on the Shopping Center, Developer shall either promptly repair or restore the improvements to the condition which existed prior to the damage or destruction within twelve (12) months from the date of such damage or destruction or in the alternative raze and remove such improvements and landscape the Shopping Center in a first-class manner within the same time period.

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Nothing herein shall prevent inland from making changes to the site plan or the Shopping Center, subject to obtaining necessary governmental approvals.

Section 2.5 Construction Traffic. All owners, tenants or other occupants of the Kirk Parcel and the Bank Parcel shall utilize the entrance at Route 64 for all construction traffic.

Section 2.6 Use of Bank Parcel. The Bank Parcel, or any improvements thereon, shall not be used for any purpose other than the operation of a bank facility.

Section 2.7 Use of Shopping Center Parcel. For so long as the Bank, or its successors, is the occupant of the Bank Parcel and is operating a bank facility thereon, Inland shall not allow any portion of the Shopping Center (other than the Jewel Food Stores building to be built on Lot 5 as shown on the Plat of Subdivision attached hereto as Exhibit E, such building not being bound by this restriction), nor shall Kirk allow any portion of the Kirk Parcel, to be used for the operation of a bank, savings & loan or credit union facility. This paragraph does not prevent (i) the installation of automatic teller machines (ATMs), point of sale (POS) devices and similar and future unmanned devices which may be used for banking and banking-related services, including taking deposits (but excluding drive-through facilities), or (ii) uses such as consumer loan offices, mostgage banking/brokerage services and other financial services which do not provide retail banking services.

Section 2.8 Additional Restrictions. Each party agrees that a Memorandum of Lease with regard to the Jewel Food Stores lease, in the form of Exhibit F attached hareto, may be recorded against its respective Parcel, and further agrees to execute the consent thereto for recordation. Without limiting the generality of the foregoing, the parties acknowledge and agree that their respective Parcels are bound by the restrictions set forth in paragraph 2 of said Memorandum of Lease.

Section 2.9 Maintenance of Common Areas. The parties agree to maintain the Common Areas as follows:

- (a) Maintenance by the Bank. The Bank agrees, at its own expense, to perform the following: (i) operate, manage, maintain, equip and insure all of the Common Areas on its Parcel and keep such Common Areas secure and in a safe condition, free of obstructions, clean, swept and in good repair (including mowing and landscaping); (ii) remove snow and ice from the Common Areas on its Parcel; (iii) repair, maintain and replace the portions of the Common Areas on its Parcel; (iv) keep the Common Areas on its Parcel lighted during hours of darkness until at least midnight at an average of not less than ten foot candle power of illumination; (v) keep the parking area properly striped to assist in the orderly parking of all cars; (vi) pay all real estate taxes and assessments which now or bereafter become due on the Common Areas on its Parcel.
- (b) Maintenance by Kirk. Kirk agrees, at its own expense, to perform the following:
   (i) operate, manage, maintain, equip and insure all of the Common Areas on its Parcel and keep such Common Areas secure and in a safe condition, free of obstructions, clean, swept and in

good repair (including mowing and landscaping); (ii) remove snow and ice from the Common Areas on its Parcel; (iii) repair, maintain and replace the portions of the Common Areas on its Parcel; (iv) keep the Common Areas on its Parcel lighted during hours of darkness until at least midnight at an average of not less than ten foot candle power of illumination; (v) keep the parking area properly striped to assist in the orderly parking of all cars; (vi) pay all real estate taxes and assessments which now or hereafter become due on the Common Areas on its Parcel.

- (c) Maintenance by Inland. Inland agrees, at its own expense, to perform the following: (i) operate, manage, maintain, equip and insure all of the Common Areas on its Parcel and keep such Common Areas secure and in a safe condition, free of obstructions, clean, swept and in good repair (including mowing and landscaping); (ii) remove snow and ice from the Common Areas on its Parcel; (iii) repair, maintain and replace the portions of the Common Areas on its Parcel; (iv) keep the Common Areas on its Parcel lighted during hours of darkness subject to the terms of leases with tenants located from time to time at the shopping center at an average of not less than ten foot candle power of illumination; (v) keep the parking area properly striped to assist in the orderly parking of all cars; (vi) pay all real estate taxes which now or hereafter become due on the Common Areas on its Parcel.
- (d) Failure to Maintain. If one of the Parcel owners ("Defaulting Owner") fails to perform its obligations under the corresponding subparagraph of this Paragraph 2.9, the other Parcel owners ("Non-Defaulting Owner") shall have the right, after written notice and a reasonable opportunity to the Defaulting Owner to cure, to enter upon the Defaulting Owner's Parcel and cure such failure at the expense of the Defaulting Owner. Defaulting Owner shall reimburse the Non-Defaulting Owners for such expense within thirty (30) days after presentation of an invoice with reasonable back-up documentation. Such amount, if not paid, shall constitute a lien against the Defaulting Owner's Parcel, which may be foreclosed in the same manner as a mortgage of Illinois real property.

### ARTICLE III

## Miscellaneous

Section 3.1 Modifications. This Agreement may not be modified in any respect whatsoever or rescinded, in whole or in part, except with the consent of all parties hereto, and then only by written instrument duly executed in recordable form and duly recorded in the office of the Kane County, Illinois Recorder of Deeds.

Section 3.2 Taxes. Each party shall pay when due the real estate taxes, assessments and other like charges which may be levied, assessed or charged against the Parcel which it owns, or any part thereof.

Section 3.3 Successors and Assigns. The easements and rights granted and obligations assumed herein (a) are made for the direct, mutual and reciprocal benefit or burden of the real property affected; (b) will constitute covenants running with the land; and (c) will be binding upon and imure to the benefit of the parties' respective successors, assigns, transferees, tenants, employees, agents, customers, licensees and invitees.

Section 3.4 Indemnification. Each of the parties shall indemnify, defend and hold the other parties harmless of and from any and all loss, cost, liability, damage, injury or expense, including reasonable attorney's fees, which may arise by reason of any violation of law, ordinance or regulation or by reason of injury to or death of a person(s), damage to property, or claims of lien for work performed and/or materials or supplies furnished, or arising out of or in connection with the use of the parking area on the indemnifying party's parcel, or arising from or in connection with the willful or negligent acts or omissions of the indemnifying party or its agent, servants, contractors, employees or successors in interest or arising out of or in connection with work to be performed by the indemnifying party on the parcel of another, or arising out of or in connection with the operation to be conducted on its respective parcel.

Section 3.5 Entire Agreement. This instrument contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed and no other representations or promises, written or oral, made by either party to the other which is not contained herein shall be binding or valid.

Section 3.6 Attorney's Fees. In the event of any controversy, claim, or dispute relating to this instrument or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

Section 3.7 Notices. Any notice to be given hereunder by either of the parties hereto to the other may be personally delivered, delivered by contract carrier, or may be deposited in the United States mail, registered or certified, postage prepaid and return receipt requested, addressed to the party for whom intended as follows:

To Developer:

H.P. Kirk Partners, L.L.C. c/o Hamilton Partners 300 Park Boulevard Itasca, Illinois 60143 Attn: James L. Sheridan

With a copy to:

D'Ancona & Pflaum 30 N. LaSalle Street Suite 2900

Chicago, Rlinois 60602 Attn: Lawrence J. Moss

To Kirk:

H.P. Kirk Partners II, L.L.C.

c/o Hamilton Partners 300 Park Boulevard Itasca, Illinois 60143 Attn: James L. Sheridan

With a copy to:

D'Ancona & Pflaum 30 N. LaSalle Street

Suite 2900

Chicago, Illinois 60602 Attn: Lawrence J. Moss

To the Bank:

West Suburban Bank 2800 Finley Road

Downers Grove, Illinois 60515

Attn: Ed Garvey

With a copy to:

Giagnorio & Robertelli, Ltd. 130 S. Bloomingdale Road

P.O. Box 726

Bloomingdale, Illinois 60108 Attn: Joseph D. Giagnorio

To Inland:

The Inland Group, Inc. 2901 Butterfield Road Oak Brook, Illinois 60521

Attn: Robert Baum, General Counsel

With a copy to:

Inland Real Estate Corporation 2901 Butterfield Road Oak Brook, Illinois 60521 Attn: Robert Parks, President

Any party may change its address at any time by notifying the other parties in writing, of such change. Service of any notice pursuant hereto shall be deemed complete at the time of delivery.

Section 3.8 Insurance. Each party shall obtain and maintain at all times public liability insurance insuring against claims on account of death, bodily injury or property damage that may arise from or be occasioned by the condition, use or occupancy of its respective Parcel by customers, invitees, licensees and employees. Said insurance shall be obtained and maintained in a reputable insurance company or companies qualified to do business in the State of Illinois and having limits for bodily injury or death in the amounts of not less than \$2,000,000 for injury to or death of one person, \$2,000,000 for injury to or death of more than one person in one accident

and property damage insurance in an amount not less than \$1,000,000. In addition, each party shall cause to be carried fire and extended coverage insurance on all buildings on their respective parcels in an amount at least sufficient to avoid the effect of any coinsurance provisions of such policies and in any event in an amount not less than one hundred percent (100%) of the reconstruction cost of such improvements, exclusive of footings and foundations. Said insurance may be carried under a "blanket" policy or policies covering other properties of the party and its subsidiaries, controlling or affiliated corporations. Such insurance shall name all of the parties hereto or their successors as additional insureds thereunder. Such insurance shall provide that the insurance may not be canceled without at least ten (10) days' prior written notice being given by the insurer to each party named as an additional insured.

Section 3.9 No Partnership. Joint Venture or Principal Agent Relationship. Nothing in this Agreement nor any acts of the parties hereto shall be construed or deemed by the parties, or by any third Person, to create the relationship of partnership, of joint venture, or of principal and agent, between the parties hereto.

Section 3.10 Severability. If any term or provision of this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Agreement (or the application of such term or provision, to Persons or circumstances other than those in respect of which is invalid or unenforceable) except those terms or provisions, which are made subject to or conditioned upon such invalid or unenforceable term or provision, shall not be affected thereby, and each other term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 3.11 Governing Laws. This Agreement shall be construed and governed in accordance with the laws of Illinois.

Section 3.12 Hazardous Material. Each party agrees to indemnify, defend and hold the other parties and their affiliates harmless from any and all claims, actions, administrative proceedings (including informal proceedings), judgments, damages, penalties, fines, costs, habilities, interest or losses, including reasonable attorneys' fees and expenses, consultant fees, and expert fees, together with all other costs and expenses of any kind or nature that arise during or after the Term of this Agreement, directly or indirectly, from or in connection with the presence, suspected presence, release or suspected release of any Hazardous Material in or into the air, soil, surface water or groundwater at, on, about, under or within the Parcels, or any portion of either thereof caused by the indemnifying party or its affiliates, contractors, employees, agents or assigns.

As used herein "Hazardous Material" shall mean any hazardous or toxic waste, substance or petroleum product as defined for purposes of the Comprehensive Environmental Response, Compensation and Liability Act of 19842 U.S.C. Section 9061, and all amendments thereto.

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Section 3.13 Estoppel Letter. At any time from time to time, upon request of any party herem, the other parties hereto shall, without charge, execute, acknowledge and deliver to the requesting party within ten (10) days after request, an instrument in recordable form stating (if the same be true) that as of such date, no default has been declared hereunder by either party hereto and that the party executing the instrument has no knowledge of any facts or circumstances which it might reasonably believe would give rise to a default by any party.

Section 3.14 Term of this Agreement. This Agreement shall be effective as of the date first above written and shall continue in full force and effect until 11:59 p.m. on December 31, 2048; provided, however, that the easements and the obligation to contribute its respective proportionate share for maintenance, repair and replacement created in Article I hereof shall be perpetual. Upon termination of this Agreement, all rights and privileges derived from and all duties and obligations created and imposed by the provisions of this Agreement, except as mentioned above, shall terminate and have no further force or effect; provided, however, that the termination of this Agreement shall not limit or affect any remedy at law or in equity that a party may have against any other party with respect to any liability or obligation arising or to be performed under this Agreement prior to the date of such termination.

Section 3.15 Trustee's Exculpation. This Instrument is executed by West Suburban Bank, not personally but solely as Trustee aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee, and is payable out of the assets of the trust estate held under the Trust Agreement. It being understood and agreed that all of the warranties, indermnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be assessed or enforceable against the Trustee on account of any warranty, indemnity representation, covenant, undertaking or agreement of the Trustee.

Section 3.15 Special Assessment District. The parties contemplate that certain public improvements benefiting the Property and other property will be financed by issuance of bonds pursuant to a Special Assessment District ("SAD"). The parties agree that the owner of each Parcel shall be responsible for its Proportionate Share of all SAD costs and expenses, including,

without limitation, assessments, which are levied or assessed against the property or the owners thereof. Unless the parties specifically agree otherwise, the covenants of this paragraph shall survive the expiration, termination or amendment of this Agreement, so long as the SAD bonds remain outstanding. Each owner agrees to execute and deliver such further instruments and assurances as may be necessary or desirable to effectuate the intent of this paragraph.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

| H.P. KIRK PARTNERS, L.L.C., an Illinois limited |
|---|
| liability company                               |
|   |
| By:   |
| TODD ISER-INGITOF, Managing                     |
| Member  |
| 272420046                                       |
| INLAND REAL ESTATE CORPORATION, a               |
| Maryland corporation                            |
| Wad ylant Carlanatori                           |
| D   |
| By:   |
| Steven D. Sanders, Authorized Agent             |
|   |
| WEST SUBURBAN BANK, an Illinois corporation     |
|   |
| Ву:   |
| Name:   |
| lts:  |
|   |
|   |
| H.P. KIRK PARTNERS II, L.L.C., an Illinois      |
| limited fiability-company                       |
|   |
| By:   |
| 1000 FERCINEMENAGING                            |
| Member  |
| 172/01/004                                      |

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without limitation, assessments, which are levied or assessed against the property or the owners thereof. Unless the parties specifically agree otherwise, the covenants of this paragraph shall survive the expiration, termination or amendment of this Agreement, so long as the SAD bonds remain outstanding. Each owner agrees to execute and deliver such further instruments and assurances as may be necessary or desirable to effectuate the intent of this paragraph.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

|   | H.P. KIRK PARTNERS, L.L.C., an illinois minied         |
|---|--|
|   | By:  TODD BERLINGTO A Managing  Member                 |
|   | INLAND REAL ESTATE CORPORATION, a Maryland corporation |
|   | By: Steven D. Sanders, Authorized Agent                |
| THIS INSTRUMENT is executed by West Subarban Bank ("WSB") not a individually, but solely as trustee as aforesaid in the exercise and authority conterted upon and vested in it as such trustees. The ments, warranties, and representations set forth herein are on information and belief without any independent inquiry or instrument, and the conterty set forth in this instrument, any recourse it is a shall be limited to the assets comprising the trust estate and it is liability shall be asserted or be enforceable against WSB by the content, promises, agreements, covenants, warranties, representations, indemnifications, or other matters herein set forth, all such as some liability of WSB being expressly walved. | Not personally but as Name:                            |

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١,

STATE OF ILLINOIS ) SS.
COUNTY OF DUPAGE )

I, a Notary Public in and for said County in the State aforesaid, do hereby certify that 
TODD BOLLESCHOOL., Managing Member of H.P. Kirk Partners, L.L.C., an Illinois 
limited liability company, is personally known to me to be the same person whose name is 
subscribed to the foregoing instrument as such Managing Member, appeared before me this 
day in person and acknowledged that he signed and delivered said instrument as his own free 
and voluntary act and as the free and voluntary act of said company, for the uses and purposes 
therein.

GIVEN under my hand and Notarial Seal this \_\_\_\_\_\_day of \_AUCUST\_\_\_\_\_\_.

12

Nodary Public

My Commission expires:

"OFFICIAL SEAL"
NANCY R. CASTRO
Notary Public, State of Illinois
My Commission Expires 4/7/00

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| STATE OF ILLINOIS | ) | 22 |
|-------------------|---|----|
| COUNTY OF DUPAGE  | Ś | 55 |
|                   |   |    |

I, a Notary Public in and for said County in the State aforesaid, do hereby certify that

TODD BECUNGHOF Managing Member of H.P. Kirk Partners II, L.L.C., an

Illinois limited liability company, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Managing Member, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein.

Jones R. Cista

My Commission expires:

"OFFICIAL SEAL"
NANUY R. CASTRO
Nuting within, State of Blands
the Seam among Laborate 47 7700

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| STATE OR Marin    |     |
|-------------------|-----|
| h (P)             | SS. |
| COUNTY OF SWIFE ) |     |

I, a Notary Public in and for said County in the State aforesaid, do hereby certify
that Talk The Office of West Suburban Bank, an Illinois
corporation who is personally known to me to be the same person whose name is subscribed to
the foregoing instrument as such that Office specared before me this day in person and
acknowledged that he/she signed and delivered said instrument pursuant to authority given by the
Board of Directors of said corporation, as his/her own free and voluntary act and as the free and
voluntary act of said corporation for the uses and purposes therein set forth therein.

GIVEN under my hand and Notarial seal this 14st day of linguit

1998.

MODELY PURCHA

My Commission expires:

01/08/00

"OFFICIAL SEAL"
PAULINE RUTSCHOW
Notary Public, State of Illinois
My Commission Expires 01/08/00

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| STATE OF Selenous | )   |     |
|-------------------|-----|-----|
| COUNTY OF Cook    | ) S | SS. |

I, a Notary Public in and for said County in the State aforesaid, do hereby certify that

Steven D. Sanders, the authorized agent of Inland Real Estate Corporation, a Maryland
corporation who is personally known to me to be the same person whose name is subscribed
to the foregoing instrument as such authorized agent appeared before me this day in person and
acknowledged that he signed and delivered said instrument pursuant to authority given by the
Board of Directors of said corporation, as his own free and voluntary act and as the free and
voluntary act of said corporation for the uses and purposes therein set forth therein.

GIVEN under my hand and Notarial Seal this 5th day of AUGUST,

Nojary Public

My Commission expires:

"OFFICIAL SEAL"
NANCY R. CASTRO
Notery Public, State of Illinois
My Commission Expires 4/7/00

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Exhibit A

Shopping Center

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### **LOTS 3.4**

THAT PART OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF CHARLESTOWNE CENTRE MALL ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 29, 1989 AS DOCUMENT NO. 2017867; THENCE SOUTH 09° 26' 56" WEST ALONG THE WEST LINE OF SAID CHARLESTOWNE CENTRE MALL SUBDIVISION 878.81 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 09° 26' 56" WEST ALONG THE LAST DESCRIBED LINE, 725.13 FEET; THENCE NORTH 89º 49' 19" WEST, 307.14 FEET; THENCE SOUTH 00° 15' 40" EAST, 155.51 FEET; THENCE SOUTH 24° 28' 34" EAST, 54.85 FEET TO THE NORTH RIGHT OF WAY LINE OF ILLINOIS ROUTE 64 AS TAKEN PER DOCUMENT NO. 92K04278; THENCE WESTERLY ALONG SAID NORTH LINE OF ILLINOIS ROUTE 64, BEING A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 21550.94 FEET, A CENTRAL ANGLE OF 00° 12' 45" AND A CHORD BEARING OF SOUTH 89° 45' 52" WEST, A DISTANCE OF 79.98 FEET TO A POINT ON SAID CURVE; THENCE NORTH 23° 57' 13" EAST, 54.81 FEET; THENCE NORTH 00° 15' 40" WEST, 155.34 FEET; THENCE SOUTH 89° 21' 29" WEST, 294.08 FEET TO A LINE 75.00 FEET EAST OF AND CONCENTRIC WITH THE CENTER LINE OF KIRK ROAD; THENCE NORTHERLY ALONG A CURVE CONCAVE WESTERLY HAVING A RADIUS OF 6075.00 FEET, A CENTRAL ANGLE OF 5° 10' 33" AND A CHORD BEARING OF NORTH 00° 15' 35" EAST, A DISTANCE OF 548.77 FEET TO A POINT ON SAID CURVE; THENCE NORTH 89° 21' 29" EAST, 375.37 FEET; THENCE NORTH 09° 33' 10" EAST, A DISTANCE OF 190.32 FEET THENCE SOUTH 86° 16' 22" EAST, 346.59 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS. CONTAINING 10.137 ± ACRES.

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**REVISED 08/06/98** 

### LOTS 5.6. STUART DRIVE

THAT PART OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF CHARLESTOWNE CENTRE MALL ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 29. 1989 AS DOCUMENT NO. 2017857; THENCE SOUTH 09° 26' 56" WEST ALONG THE WEST LINE OF SAID CHARLESTOWNE CENTRE MALL SUBDIVISION 35.13 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 09° 26' 56" WEST ALONG THE LAST DESCRIBED LINE, 843.68 FEET; THENCE NORTH 86° 16' 22" WEST, 346.59 FEET; THENCE SOUTH 09° 33' 10" WEST, 190.32 FEET; THENCE SOUTH 89° 21' 29" WEST, 375.37 FEET TO A LINE 75.0 FEET EAST OF AND CONCENTRIC WITH THE CENTERLINE OF KIRK ROAD; THENCE NORTH ALONG A LINE 75.00 FEET EAST OF AND CONCENTRIC WITH THE CENTERLINE OF SAID KIRK ROAD BEING CONCAVE WESTERLY HAVING A RADIUS OF 6075.00 FEET. A CENTRAL ANGLE OF 7° 58' 42" AND A CHORD BEARING OF NORTH 01° 08' 56" WEST, A DISTANCE OF 297.17 FEET TO A POINT OF TANGENCY; THENCE NORTH 05° 08' 17" WEST, 230.12 FEET; THENCE NORTHEASTERLY ALONG A NONTANGENT CURVE BEING CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 687.73 FEET, A CENTRAL ANGLE OF 25° 08' 00" AND A CHORD BEARING OF NORTH 71° 03' 24" EAST, A DISTANCE OF 292.91 FEET TO A POINT OF COMPOUND CURVE; THENCE NORTHEASTERLY ALONG A CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 713.94.FEET, A CENTRAL ANGLE OF 10° 32' 31" AND A CHORD BEARING OF NORTH 53" 13' 08" EAST, A DISTANCE OF 131.36 FEET TO A POINT OF TANGENCY; THENCE NORTH 47° 56' 52" EAST, 269.69 FEET TO A POINT OF CURVE; THENCE NORTHEASTERLY ALONG A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 456.00 FEET, A CENTRAL ANGLE OF 37° 34' 01" AND A CHORD BEARING OF NORTH 66° 43' 53" EAST, A DISTANCE OF 298.98 FEET TO A POINT OF TANGENCY; THENCE NORTH 85° 30' 53" EAST, 81.56 FEET TO THE POINT OF BEGINNING IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS. CONTAINING 12.878 ± ACRES.

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Exhibit B

Bank Parcel

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LOT 1 OF STUART'S CROSSING RETAIL BEING A SUBDIVISION OF PART OF THE MORTHWEST 1/4 SECTION 25, TOWNSHIP 40 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, KAME COUNTY, ILLINOIS THAT PART OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 8 BAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMERCING AT THE MORTHWEST CORNER OF CHARLESTOWNE CENTRE MALL, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 29, 1989 AS DOCUMENT NO. 2017857; THENCE SOUTH 09 DEGREES 26 MINUTES 56 SECONDS WEST, ALONG THE WEST LINE OF SAID CHARLESTOWN CENTRE MALL SUBDIVISION, 1812.12 FEET TO THE NORTH RIGHT OF MAY LINE OF ILLINOIS ROUTE 64, AS TAKEN PER DOCUMENT NO. 92K04278; THENCE WESTERLY ALONG SAID RIGHT OF WAY LINE. BEING A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 21550.94 FEET AND A CHORD BEARING OF NORTH 89 DEGREES 54 MINUTES 08 WEST, A DISTANCE OF 329.52 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING WESTERLY ALONG SAID CURVE ON A CHORD BEARING OF SOUTH 89 DEGREES 91 MINUTES 13 SECONDS WEST, A DISTANCE OF 103.78 PEET TO A POINT OF TANGENCY; THENCE SOUTH 69 DEGREES 23 MINUTES 01 SECONDS WEST, 157.96 PEST; THENCE NORTH 43 DEGREES 36 MINUTES 58 SECONDS WEST. 30.61 PEST TO A LINE 75.00 FEET BAST OF AND PARALLEL WITH THE CENTER LINE OF KIRK ROAD; THENCE NORTH 03 DEGREES 21 MINOTES 42 SECONDS EAST ALONG SAID LINE, 127.46 FEET TO A POINT OF CURVE; THENCE NORTHERLY ALONG A CURVE CONCAVE WESTERLY HAVING A RADIUS OF 6075.00 FERT AND HAVING A CHORD BEARING OF WORTH 03 DEGREES 06 MINUTES 03 SECONDS EAST, 55.27 FEET TO A POINT ON SAID CURVE; THENCE MORTH 89 DEGREES 21 MINUTES 29 SECONDS EAST, 294.08 FEST; THENCE SOUTH 00 DEGREES 15 MINUTES 40 SECONDS EAST, 155.34 PEET; THENCE SOUTH 23 DEGREES 57 MINUTES 13 SECONDS WEST, 54.61 PRET TO THE POINT OF BEGINNING, ALL IN THE CITY OF ST. CHARLES, KAME COUNTY, ILLINOIS.

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Exhibit C

Kirk Parcel

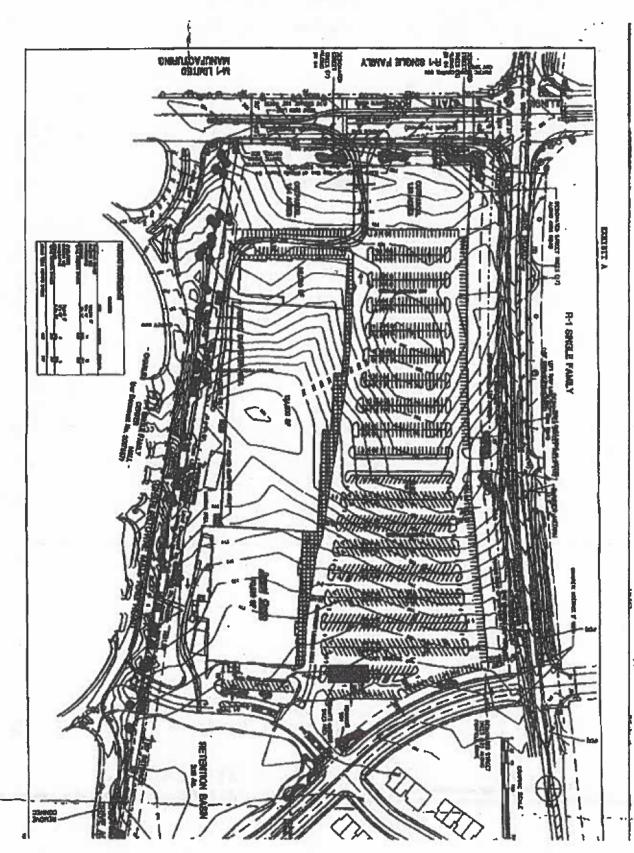
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LOT 2 IN STUART'S CROSSING RETAIL, BEING A SUBDIVISION OF PART OF THE NORTHWEST 1/4 SECTION 25, TOWNSHIP 40 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN KANE COUNTY, ILLINOIS

THAT PART OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 40 NORTH, RANGE & EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF CHARLESTOWNE CENTRE MALL, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 29, 1989 AS DOCUMENT NO. 2017857; THENCE SOUTH 09 DEGREES 26 NINUTES 56 SECONDS WEST, ALONG THE WEST LINE OF SAID CHARLESTOWNE CENTRE MALL SUBDIVISION, 1569.81 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 09 DEGREES 26 MINUTES 56 SECONDS WEST ALONG THE LAST DESCRIBED LINE, 208.18 FEET TO THE NORTH RIGHT OF WAY LINE OF ILLINOIS ROUTE 64, AS TAKEN PER DOCUMENT NO. 92K04278; THENCE WESTERLY ALONG SAID RIGHT OF WAY LINE, BEING A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 21550.94 FRET AND A CENTRAL ANGLE OF 00 DEGREES 39 MINUTES 48 SECONDS AND A CHORD BEARING OF NORTH 69 DEGREES 47 MINUTES 51 SECONDS WEST A DISTANCE OF 249.54 FEET; THENCE NORTH 24 DEGREES 28 MINUTES 34 SECONDS WEST, 54.85 FRET; THENCE NORTH 00 DEGREES 15 MINUTES 40 SECONDS WEST, 155.51 FEET; THENCE SOUTH 89 DEGREES 49 MINUTES 19 SECONDS EAST, 307.14 FEET TO THE POINT OF BEGINNING, ALL IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

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Exhibit D

Site Plan

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Exhibit E

Plat of Subdivision

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## Exhibit F

Jewel Food Stores Memorandum of Lease

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Recording Requested By and When Recorded Return To:

98K082486

FILEO FOR RECORD KANE COUNTY.ILL.

98 SEP 11 AM 11:00

Agnda M Quine

Michael J. Martin, Esq. Surke, Warren, MacKay & Serritella, P.C. 330 North Wabash Avenue 22nd Floor Chicago, IL 60611

CHICAGO TITLE INSURANCE CO.

Kane County Office
County, Bindle 69134

Phone School 67134

MEMORANDUM OF LEASE

This Memorandum of Lease is entered into as of the 23th day of February, 1998, between H.P. KIRK PARTNERS, L.L.C., an Illinois limited Mability company ("Landlord"), and JEWEL FOOD STORES, INC. a New York corporation ("Tenant").

Premises. For sufficient consideration received, and the terms and conditions more particularly set forth in that certain long form lease between Landlord and Tenant of even date herewith (the "Lease"), Landlord leases to Tenant and Tenant leases from Landlord, the land at the northeast corner of Route 64 and Kirk Road in the Village of St. Charles, County of Kane, State of Illinois (the "Premises Land"), which land is outlined and marked "Jewel/Osco" on the site plan attached hereto as Exhibit "A" and incorporated herein by reference (the "Site Plan"), together with all easements, rights-or-way, rights, privileges, benefits and appurtenances now or hereafter belonging thereto or commonly enjoyed therewith, the building to be constructed thereon containing approximately seventy thousand five hundred twenty-nine (70,529) ground floor square feet (the "Building"), and other improvements to be constructed thereon (all of which are collectively called the "Premises"). The Premises Land is part of a larger parcel[s] of land to be

Store No. 01-90360 St. Charles, Illinois

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developed into a shopping center (the "Shopping Center") as depicted on the Site Plan. The Shopping Center is legally described on Exhibit "B" attached hereto and incorporated herein by reference.

Restrictions. By virtue of the Lease, Tenant, its subtenants, invitees, customers and employees and parties holding possessory rights in the Premises shall have, and are hereby granted, the use in common with Landlord and other tenants of Landlord and their respective invitees, customers, employees and parties holding possessory rights in the Shopping Center, of the portions of the Shopping Center required by the terms of the Lease to be devoted to the purposes of driving and parking motor vehicles, loading and unloading of motor vehicles and vehicular and pedestrian ingress and egress to and from and within the Shopping Center (all of which are referred to as the "Common Areas"). Additional rights are granted by the Lease to such parties in connection with the construction and maintenance of utility facilities necessary to the Shopping Center. All buildings constructed in the Shopping Center shall be located wholly within the areas shown as "Building Areas" on the Site Additional use and development restrictions and maintenance, development and performance obligations with regard to the Premises and the Shopping Center are specified in the Lease.

In addition to other restrictions and obligations set forth in the Lease, the Lease provides that the types of uses permitted in the Shopping Center shall be of a retail and/or commercial nature found in shopping centers of a similar size and quality in the metropolitan marketing area in which the Shopping Center is located.

The Lease provides, in part, that no premises (nor any part thereof) in the Shopping Center other than the Premises, shall be (i) used or occupied as a retail supermarket, drug store and combination thereof, nor (ii) used for the sale of any of the following: (a) fish or meat (except as expressly permitted in the Lease); (b) liquor and other alcoholic beverages in package form, including, but not limited to, beer, wine (except as expressly permitted in the Lease) and ale; (c) produce; (d) floral items; (e) any combination of food items sufficient to be

Store No. 01-90360 St. Charles, Illinois y

commonly known as a convenience food store or department; and (f) items requiring dispensation by or through a pharmacy or requiring dispensation by or through a registered pharmacist.

In addition, the following uses in the Shopping Center are prohibited or restricted, as more particularly set forth in the Lease: (a) offices; (b) funeral homes; (c) production, manufacturing, industrial, or storage uses; (d) entertainment or recreational facilities; (e) training or educational facilities; (f) restaurants; (g) car washes, gasoline or service stations, or the displaying, repairing, renting, leasing, or sale of any motor vehicle, boat or trailer; (h) dry cleaner with on-premises cleaning; (i) uses which creates a nuisance or materially increases noise or the emission of dust, odor; smoke, gases, or materially increases fire, explosion or radioactive hazards in the Shopping Center; (j) businesses with drive-up or drive-through lanes; (k) second-hand or thrift stores, or flea markets; and (l) uses involving any Hazardous Material (as defined in the Lease).

All buildings and structures built in the Shopping Center, including new construction, reconstruction and remodeling, shall be architecturally compatible with the Building. Prior to the commencement of construction or remodeling of any other building or structure in the Shopping Center, Landlord will first obtain Tenant's written approval not to be unreasonably withheld or delayed, that the exterior design and elevation of such building and/or remodeling is architecturally compatible with the Building.

No building constructed in the Shopping Center shall consist of more than one (1) story plus mezzanine (i.e., any floor area above the ground floor that does not extend over the entire ground floor area and which is used in connection with the primary commercial use of such building but is not used as a sales area or generally open to the public). No building or other structure constructed or located in Outparcel 1 shall exceed twenty-five (25) feet in height. No mezzanine or basement of any building in the Shopping Center shall be used as an area for sales or display or open to the public generally.

Store No. 01-90360 St. Charles, Illinois The restrictions set forth herein shall be deemed to be restrictions and covenants, and shall be a servitude upon the entire Shopping Center, shall run with the land and shall be binding upon any person acquiring any interest in any part of the Shopping Center.

- 3. Term. Unless the Lease has been terminated, the "Original Term" of the Lease shall commence as provided in the Section of the Lease entitled "Original Term" and shall expire at midnight on the twentieth (20th) anniversary of the commencement of the Original Term.
- 4. Option to Extend. Tenant, at its option, may extend the Original Term of the Lease for seven (7) consecutive periods of five (5) years each.
- 5. Inquiries. Inquiries concerning the precise terms of the Lease may be made to:

Landlord: c/o Hamilton Partners 300 Park Boulevard Itasca, IL 60143 Attn: Mr. Jim Sheridan Tenant:

c/o American Stores Properties, Inc.

P.O. Box 27447

Salt Lake City, UT 84127-0447

Attn: Legal Department (Re: Store No. 01-90360)

- 6. Successors. The rights and obligations created in the Lease shall bind and inure to the benefit of the respective heirs, personal representatives, successors, grantees and assigns of Landlord and Tenant and the respective restrictions, covenants and obligations pertaining to the Premises and the Shopping Center shall run with the land.
- 7. Incorporation and Conflicts. All of the terms and conditions of the Lease are incorporated herein by reference as though set forth fully herein. In the event of any conflict between the terms hereof and of the Lease, the Lease shall prevail.

Store No. 01-90360 St. Charles, Illinois

IN WITNESS WHEREOF, this Memorandum of Lease is executed as of the date first above written.

H.P. KIRK PARTNERS, L.L.C., an Illinois limited liability company

its Managing Member
"LandLord"

JEWEL FOOD STORES, INC., a New York corporation

By\_\_\_\_\_\_\_President'

"TENANT"

ATTEST: ASSISTANT Secretary

Store No. 01-90360 St. Charles, Illinois

### Consent

Each of the undersigned hereby consents to the foregoing Memorandum of Lease. In addition, Inland Real Estate Corporation acknowledges that it has accepted the assignment of all of the right, title and interest of H.P. Kirk Partners, L.L.C. in and to the Lease as defined above, and has assumed the obligations of the landlord under said Lease accruing on and after August 5, 1998.

|              | ND REAL ESTATE CORPORATION, a und corporation |
|--------------|---|
| By:          | , Authorized Agent                            |
| WES1         | SUBURBAN BANK, an Illinois corporation        |
| By:<br>Name: |   |
| ite:         | CIRK PARTNERS II, L.L.C., an Illinois         |
|              | d liability company                           |
| By:          | Member Member                                 |

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### Consent

Each of the undersigned hereby consents to the foregoing Memorandum of Lease. In addition, Inland Real Estate Corporation acknowledges that it has accepted the assignment of all of the right, title and interest of H.P. Kirk Partners, L.L.C. in and to the Lease as defined above, and has assumed the obligations of the landkord under said Lease accruing on and after August 5, 1998.

| By:   | , Authorized Agent   |
|-------|--|
| west  | as trustee under to<br>number = 10755<br>SUBURBAN BANK an Illinois corporation |
| By:   |  |
| Name: | EDWARD 3. GARVEY   |
| Ita:  | VP.  |
|       | IRK PARTNERS II, L.L.C., an Illinois<br>fiability company                      |

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### Consent

Each of the undersigned hereby consents to the foregoing Memorandum of Lease. In addition, Inland Real Estate Corporation acknowledges that it has accepted the assignment of all of the right, title and interest of H.P. Kirk Partners, L.L.C. in and to the Lease as defined above, and has assumed the obligations of the landlord under said Lease accruing on and after August 5, 1998.

| Ву:<br>- | , Authorized Agent                     |
|----------|--|
| west :   | SUBURBAN BANK, an Illinois corporation |
| By:      |  |
| Name:    |  |
| its:     |  |
| H.P. KI  | RK PARTNERS II, L.L.C., an Illimois    |
|          | limited liability company              |
|          | A                                      |

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MHODMA.DPDQCS;284799;1

STATE OF Jeliasis COUNTY OF Durage

13 day of Jely before me, a Notary Public in and for such state, personally and & Allulaw, personally known to me (or appeared \_\_ proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as Managing Member or on behalf of H.P. Kirk Partners, L.L.C., and acknowledged to me that such company executed the within instrument pursuant to its management agreement.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTARY PUBLIC

Residing at:\_\_\_

My Commission Expires:

6-13-00

PATRICIA E. RYAN

STATE OF UTAH

; S. S.

COUNTY OF SALT LAKE

On Pebruary 24, 1998, before me, Tina Glanville Smith, a notary public in and for such County and State, personally appeared Cary D. Jones and Mark N. Schneider, personally known to me to be the persons whoses names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument, the persons or entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.

Motary Public



NOTARY PUBLIC
Tine Gianville Scrith
1145 South 1300 West
Beit Lake City, Unit 64104
My Commission Expires
August 31, 3000

| STATE OF VOU | PATE OF OCCUREUS ) |   |     |
|--------------|--------------------|---|-----|
|              |                    | } | SS. |
| COUNTY OF    | HIR.               | ) |     |

I, a Notary Public in and for said County in the State aforesaid, do hereby certify that Steven D. Sanders, \_\_\_\_\_ of Inland Real Estate Corporation, a Maryland corporation who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such \_\_\_\_\_\_, appeared before me this day in person and acknowledged that he signed and delivered said instrument pursuant to authority given by the Board of Directors of said corporation, as his own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth therein.

GIVEN under my hand and Notarial Seal this 12th day of august 1998.

V Notary Public

My Commission expires:

4-13-01

MHODMA.DPDOCS;284799.1

COUNTY OF SUPER

I, a Notary Public in and for said County in the State aforesaid, do hereby certify that Reverse Decree . Exercise of West Suburban Bank, an illinois corporation who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such the Reverse and before me this day in person and acknowledged that he/she signed and delivered said instrument pursuant to authority given by the Board of Directors of said corporation, as his/her own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth therein.

GIVEN under my hand and Notarial seal this 17th day of Charget,

1998.

Notary Public

My Commission expires:

OFFICIAL SEAL
CHRISTINE PAWLAK
Notery Public, State of Illinois
My Commission Expires 11-30-98

18

MHODMA.DPDOCS;284799;1

STATE OF ILLINOIS
COUNTY OF DUPAGE

SS.

that JAMES L. SHERIDAN Managing Member of H.P. Kirk Partners II, L.L.C., an Illinois limited liability company, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Managing Member, appeared before me'this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein.

GIVEN under my hand and Notarial Seal this /7d/ day of

Quaust, 1998.

/Notary Public

My Commission expires:

05/05/02

OFFICIAL SEAL
JOAN SABOURIN
HOTARY PUBLIC, STATE OF ILLHOIS
MY COMMISSION EXPRES:061/08

MHODMA.DPDOCS;284799;1

13

### EXHIBIT "Bs Legal Description of Shopping Center

That part of the Southwest 1/4 of Section 24 and part of the Northwest 1/4 of Section 25, Township 40 North, Range 8 East of the Third Principal Meridian described as follows: Beginning at the Northwest corner of Charlestowne Centre Mall, St. Charles, Kane County, Illinois: thence South 09 degrees, 26 minutes, 46 seconds West, along the West line of said Charlestowne Centre Mall, a distance of 1811.90 feet, to the Northerly line of Main Street (Illinois State Route 64); thence Westerly along a curve that is convex to the North having a radius of 21,550.94 feet and a chord bearing of South 89 degrees, 56 minutes, 00 seconds West, an arc distance of 432.82 feet; thence South 89 degrees, 21 minutes, 29 seconds West a distance of 157.92 feet along the North line of Main Street; thence North 43 degrees, 38 minutes, 31 seconds West a distance of 66.01 feet to the Easterly line of Kirk Road; thence North 03 degrees, 22 minutes, 01 seconds East a distance of 103.56 feet; thence continuing Northerly along the Easterly line of Kirk Road on a curve that is convex to the East having a radius of 6050.00 feet, an arc distance of 897.52 feet; thence North 05 degrees, 07 minutes, 59 seconds West, a distance of 269 85 feet; thence North 24 degrees of 269.85 feet; thence North 84 degrees, 52 minutes, 01 seconds East a distance of 10.58 feet; thence continuing on a curve that is convex to the South having a radius of 627.73 feet, an arc distance of 288.98 feet; thence continuing on a compound curve that is convex to the South having a radius of 673.94 feet, an arc distance of 124.00 feet; thence North 47 degrees, 56 minutes, 54 seconds East, a distance of 269.69 feet; thence continuing on a curve that is convex to the North having a radius of 496.00 feet, an arc distance of 325.21 feet; thence North 85 degrees, 30 minutes, 53 seconds East a distance of 89.09 feet; thence South 13 degrees, 24 minutes, 02 seconds East, a distance of 5.98 feet to the Point of Beginning, in the City of St. Charles, in Kane County, Illinois.

Commonly Known As: Vacant land on the East side of Kirk Road St. Charles, Illinois

P.I.N.: 09-25-100-034

Store No. 01-90360 St. Charles, Illinois 14

### **EXHIBIT J**

### **TENANT ESTOPPEL CERTIFICATE**

| То:          | FHS PIAZZA LLC   |
|--------------|--|
| Lease Dated: | , 2024   |
| Landlord:    | FHS PIAZZA LLC, an Illinois limited liability company              |
| Tenant:      | MONTAUK PICKLEBALL CLUB, LLC, a Delaware limited liability company |

The undersigned, Tenant under the above-referenced Shopping Center Lease (the "Lease"), hereby certifies to the present Landlord and any mortgagee or future mortgagee of the above Shopping Center, that:

- Said Lease is presently in full force and effect, is valid and binding upon Tenant in every respect, and is unmodified (by either amendments or letter agreements) except for amendments referred to above.
- 2. Tenant has accepted possession of the Leased Premises (as defined in the Lease) and any Tenant Improvements required by the terms of said Lease to be made by Landlord have been substantially completed to the satisfaction of Tenant save and except for certain improvements listed on Page 4 hereof which Landlord is not required to have completed by this date, or which have not been authorized for construction save and except for minor incomplete "punchlist" items listed on Page 4 hereof, if any.
- 3. To the best of Tenant's knowledge and belief, Landlord has fulfilled all of its obligations under the Lease to date.
- 4. No rent under said Lease has been paid more than one month in advance of its due date nor have any other charges or monetary obligations of Tenant under the Lease been prepaid.
- 5. The address for notices to be sent to Tenant is:

Montauk Pickleball Club, LLC 1017 N. Hooker Street Chicago, Illinois 60642 Attn: Brad Parker

- 6. Tenant, as of this date, has no charge, lien or claim of offset under said Lease or otherwise against rents or other charges due or to become due under the Lease.
- 7. No security deposit is being held by Landlord except as follows: None.

- 8. There are no accrued liabilities or claims of any nature as of this date which Tenant might seek to assert against Landlord.
- No breach, default or event of default has occurred under the Lease by Tenant or Landlord to the best of the knowledge and belief of Tenant.
- 10. Tenant has paid all Real Estate Taxes, Insurance Payments and Common Area Charges which are Tenant's responsibility under the Lease if such expenses are due and payable.
- 11. Tenant has not assigned, transferred or hypothecated the Lease or any of its rights under the lease to any person, firm or corporation.
- 13. Landlord is not in default under any commitments made to induce Tenant to enter into the Lease. Except for rent abatements (if any) set forth in the Lease, Landlord is not obligated to make any inducement payments to Tenant which have not been made or to provide other inducement consideration which has not been provided.
- 14. Tenant is not insolvent and is able to pay its debts as they mature.
- 15. Tenant is not aware of any material defects in the condition of the Leased Premises or in the Shopping Center of which the Leased Premises are a part.
- 16. Tenant has no option or preferential right to purchase all or any part of the Shopping Center of which the Leased Premises are a part.
- 17. Tenant has no agreements with Landlord in respect to the Leased Premises or possible expansion of the Leased Premises or termination of the Lease not reflected in said Lease, except those which have been fully paid and/or performed by Landlord prior to the date hereof.
- 18. Tenant has no right to remove any fixtures in the Leased Premises except movable trade fixtures owned by Tenant and except tenant improvements which Landlord required Tenant to remove pursuant to the terms of the Lease, all other than as described below (if applicable).

This Certificate has been delivered to the addressee for the use and benefit of the addressee and any present or future mortgagee of the above referenced Shopping Center with the understanding they will rely hereon in connection with the ownership or the acquisition of a direct or indirect interest in the Shopping Center of which the Leased Premises are a part. By execution of this

| Date: |  |
|-------|--|
|       | MONTAUK PICKLEBALL CLUB, LLC, a Delaware limited liability company |
|       | By:  |

INCOMPLETE TENANT IMPROVEMENTS (If none, so state)

PUNCHLIST ITEMS (If none, so state)

MATERIAL DEFECTS (If none, so state)

REMOVABLE FIXTURES (other than movable trade fixtures and except tenant improvements which Landlord requires Tenant, if applicable, to remove pursuant to the terms of the Lease) (If none, so state)

### EXHIBIT K

### FORM OF AUTHORIZATION TO RELEASE SALES TAX INFORMATION

| Illinois Department of Revenue Local Tax Allocation Division 101 W. Jefferson St. (Level 3-500) Springfield, IL 62702   |   |
|---|---|
| The undersigned is an authorized officer of doing business at(the "Center") located at _ St. Charles, Illinois (the "City").  | ("Taxpayer"), which is in the City of   |
| In order to induce the retention and further development of certain sales tax revenues in order to provide certain benefits with  |   |
| Pursuant to Section 11 of the Retailers' Occupation Tax Act (1) Taxpayer hereby authorizes the Illinois Department of Revolvillage, the monthly/quarterly amount of the local share of the Taxpayer, as shown in requiring filings with IDOR, beginning, 20 and continuing through, 20 discontinue this reporting; provided, however, that the information obtained pursuant to this letter will be kept confidential except development agreement concerning the Center. | enue ("IDOR") to release to the<br>state sales tax payments made by<br>with sales made in the month of<br>, or until IDOR is notified to<br>ation concerning Taxpayer's sales |
| TAXPAYER:   |   |
| By: Signature   | Date:   |
| Name (print):   |   |
| Title:  |   |
| Illinois Business Tax Number:   | Phone:  |

### ACORD

### PARKRES-05

**HCOULTHURST** 

DATE (MINIDDAYYYY)

### CERTIFICATE OF LIABILITY INSURANCE

12/31/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(les) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| Parker Restaurant Group, LLC Montauk Pickleball Club, LLC 1017 North Hocker Street    Insurer B.   Nationwide Property and Casualty Insurance Company   37.   | -8248<br>NAIC #<br>787<br>877 |
|---|-------------------------------|
| Waukesha, WI 53188-2491    MRURER(S) AFFORDING COVERAGE     MISURER A : Nationwide Mutual Insurance Company   | 787                           |
| INSURED  Parker Restaurant Group, LLC Montauk Pickleball Club, LLC 1017 North Hocker Street  Resure A : Nationwide Mutual Insurance Company INSURER B : Nationwide Property and Casualty Insurance Company INSURER C : INSURER C : INSURER C : INSURER D :  | 787                           |
| Parker Restaurant Group, LLC Montauk Pickleball Club, LLC 1017 North Hocker Street    Insurer B.   Nationwide Property and Casualty Insurance Company   37.   |                               |
| Parker Restaurant Group, LLC  Montauk Pickleball Club, LLC  1017 North Hocker Street  INSURER D:  | 877                           |
| Montauk Pickleball Club, LLC 1017 North Hocker Street INSURER D:  |                               |
| 1017 North Hocker Street INSURER D :  |                               |
| Chicago II 60642-4305   |                               |
| Chicago, IL 60642-4305 INSURER E:   |                               |
| INSURER F:  |                               |
| COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:  |                               |
| THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WH CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. | IICH THIS                     |
| NSR TYPE OF INSURANCE ADDL SUSSI POLICY MUMBER FOLICY EFF POLICY EXP  |                               |
| A X COMMERCIAL GENERAL LIABILITY  | 1,000,000                     |
| GLAIMS-MADE X OCCUR ACP3069116838 1/1/2025 1/1/2026 DAMAGE TO RENTED PREMISES (En occurrence) \$  | 100,000                       |
| MED EXP (Any one person) \$   | 10,000                        |
| PERSONAL & ADV INJURY \$  | 1,000,000                     |
| GENL AGGREGATE LIMIT APPLIES PER GENERAL AGGREGATE \$   | 2,000,000                     |
| POLICY PRODUCTS - COMP/OP AGG S   | 2,000,000                     |
| OTHER.  | 1,000,000                     |
| A AUTOMOBILE LIABILITY  COMBINED SINGLE LIMIT  (Fa. accident)   | 1,000,000                     |
| X ANY AUTO ACP3069116838 1/1/2025 1/1/2026 BOOKLY INJURY (Per person) \$  |                               |
| OWNED SCHEDULED AUTOS ONLY AUTOS BOOILY INJURY (Per accident) \$  |                               |
| HIRED AUTOS ONLY AUTOS ONLY PROPERTY DAMAGE PROPERTY DAMAGE   |                               |
|   |                               |
| A X UMBRELLA LIAB X OCCUR   | 5,000,000                     |
| EXCESS LIAB CLAIMS-MADE ACP3069116838 1/1/2025 1/1/2026 AGGREGATE \$  | 5,000,000                     |
| DED RETENTION\$   |                               |
| B WORKERS COMPENSATION AND EMPLOYERS LIABILITY X AND EMPLOYERS LIABILITY  |                               |
| PRINCE CHOICH VIN 1   | 500,000                       |
| OFFICER/MEMBER EXCLUDED?  | 500,000                       |
| If yes, describe under DESCRIPTION OF OPERATIONS below E.L. DISEASE - POLICY LIMIT \$   | 500,000                       |
| A Commercial Property ACP3069116838 1/1/2025 1/1/2026 Blanket   | 7,791,000                     |
| A Liquor Liability ACP3069116838 1/1/2025 1/1/2026 Each Limit   | 1,000,000                     |
| DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 181, Additional Remarks Schedule, may be attached if more space is required)  |                               |
| CERTIFICATE HOLDER CANCELLATION   |                               |
| SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED THE EXPIRATION DATE THEREOF, MOTICE WILL BE DELIN ACCORDANCE WITH THE POLICY PROVISIONS.  St. Charles, IL 60174  AUTHORIZED REPRESENTATIVE  |                               |
| ACORD 25 (2015) ACORD CODDODATION All states  |                               |



### To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulias, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

ATTACHED HERETO IS A TRUE AND CORRECT COPY, CONSISTING OF 3 PAGE(S), AS TAKEN FROM THE ORIGINAL ON FILE IN THIS OFFICE FOR MONTAUK PICKLEBALL CLUB, LLC.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 21ST day of JANUARY A.D. 2025.

Alexi Gi

Authentication #: 2502103477 verifiable until 01/21/2028.
Authenticate at: https://www.ilsos.gov

SECRETARY OF STATE

### Form LLC-45.5

May 2018

Secretary of State

Department of Business Services Limited Liability Division 501 S. Second St., Frm. 351 Springfield, IL 62756 217-524-8008 www.llscs.gov

Payment must be made by certified check, cashler's check, fillhole attermey's check, C.P.A.'s check or money order payable to Secretary of State. If check is returned for any reason this filing will be void.

# Itlinois Limited Liability Company Act Application for Admission to Transact Business

SUBMIT IN DUPLICATE

Type or print clearly.

Filing Fee: \$150

Penalty: \$

Approved: AAV

15568658

PILE #

This space for use by Secretary of State.

FILED

JAN 1 5 2025

ALEXI GIANNOULIAS SECRETARY OF STATE

| . Assumed name:  |  |                            |                         |                               |           |
|--|--|----------------------------|-------------------------|-------------------------------|-----------|
| . Assumed name:  | (This item is only applicable if<br>LLC 1.20 must be completed a |                            |                         | for use in litinals, in which | case form |
| Jurisdiction of org  | anization: DELAWARE  |                            |                         |                               |           |
| Date of organizat  | on: 03/20/2024   |                            |                         |                               |           |
| Period of duration   | PERPETUAL<br>(Enter perpetual unless there to                    | s a date of dissolution pr | ovided in the agreement | I, in which case enter that d | ate.)     |
| Address of the pr  | incipal place of business: (P.O.                                 | . Box alone or c/o is u    | nacceptable.)           |                               |           |
|  |  |                            |                         |                               |           |
| 1017 N HOOKE   | R ST.,   |                            |                         |                               |           |
|  |  | Street                     |                         |                               | Suite #   |
| 1017 N HOOKE   |  | Street                     | - A                     | 60642                         | Suite #   |
| 1017 N HOOKE<br>Number   |  |                            |                         | 80642<br>ZIP                  | Suite #   |
| 1017 N HOOKE<br>Number<br>CHICAGO  |  | IL                         |                         | ****                          | Suite #   |
| 1017 N HOOKE<br>Number<br>CHICAGO  |  | IL                         | Middle Name             | ****                          | Suite #   |
| 1017 N HOOKE<br>Number<br>CHICAGO<br>City  | FILEJET LLC First Name   | IL<br>State                | Middle Name             | ZIP                           | Suite #   |
| 1017 N HOOKE<br>Number<br>CHICAGO<br>City<br>Registered agent                              | FILEJET LLC  | IL<br>State                | Middle Name             | ZIP                           | Suite #   |
| 1017 N HOOKE Number CHICAGO City Registered agent Registered office: (P.O. Box abne or s/o | FILEJET LLC First Name 444 N. MICHIGAN AVE.,                     | IL<br>State                |                         | ZIP<br>Leat Name              | Suite #   |

(continued on back)

### LLC-45.8

- Purpose(s) for which the company is organized and proposes to conduct business in Minois (see Note 2): PICKLEBALL CLUB
- 10. The Limited Liability Company: (check one)

Is managed by the manager(s) or a has management vested in the member(s):

11. List names and business addresses of all managers and any member with the authority of manager: BRADLEY PARKER - 1017 N HOOKER ST, CHICAGO, IL 60642

PARKER RESTAURANT GROUP, LLC- 1017 N HOOKER ST, CHICAGO, IL 60642

- 12. The Illinois Secretary of State is hereby appointed the agent of the Limited Liability Company for service of process under circumstances set forth in subsection (b) of Section 1-50 of the Illinois Limited Liability Company Act.
- 13. This application is accompanied by a Certificate of Good Standing or Existence, duly authenticated within the last 60 days, by the officer of the state or country wherein the LLC is formed.
- 14. The undersigned affirms, under penalties of perjury, having authority to sign hereto, that this application for admission to transact business is to the best of my knowledge and belief, true, correct and complete.

| Dated: 1/3/2025 | 5  |
|-----------------|--|
|                 | Month, Day, Year   |
|                 |  |
|                 | C difficulta   |
| RRADI FY PA     | RKER / MANAGER   |
| DIVIDELTIA      | Name and Title (type or print)   |
|                 |  |
| tf applica      | int is signing for a company or other entity, state name of company or entity. |

Note 1: The name must contain the term Limited Liability Company, LLC or L.L.C. The name cannot contain any of the following terms: "Corporation," "Corp." "Incorporated," "Inc.," "Ltd.," "Co.," "Limited Partnership" or "LP." However, a fimited liability company that will provide services licensed by the Illinois Department of Financial and Professional Regulation must instead contain the term Professional Limited Liability Company, PLLC or P.L.L.C. in the name.

Note 2: A professional limited liability company must state the specific professional service or related professional services to be rendered by the professional limited liability company.

# Illinois BASSET

# SELLER / SERVER CERTIFICATION

Trainee Name: Donald E Walker III

Certificate #: 000035735168

Date of Completion: 12/31/2024

School Name:

360training.com dba Learn2Serve

certify that the above named person successfully completed an approved Learn2Serve Seller/Server course.

This course provides necessary knowledge and techniques for the responsible serving of alcohol.

This is your temporary certificate of completion. You will receive your official card in the mail. Please forward all questions to support@360training.com. Corporate Headquarters



## <u>Delaware</u>

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF

DELAWARE, DO HEREBY CERTIFY "MONTAUK PICKLEBALL CLUB, LLC" IS DULY

FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD

STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS

OFFICE SHOW, AS OF THE THIRTIETH DAY OF DECEMBER, A.D. 2024.

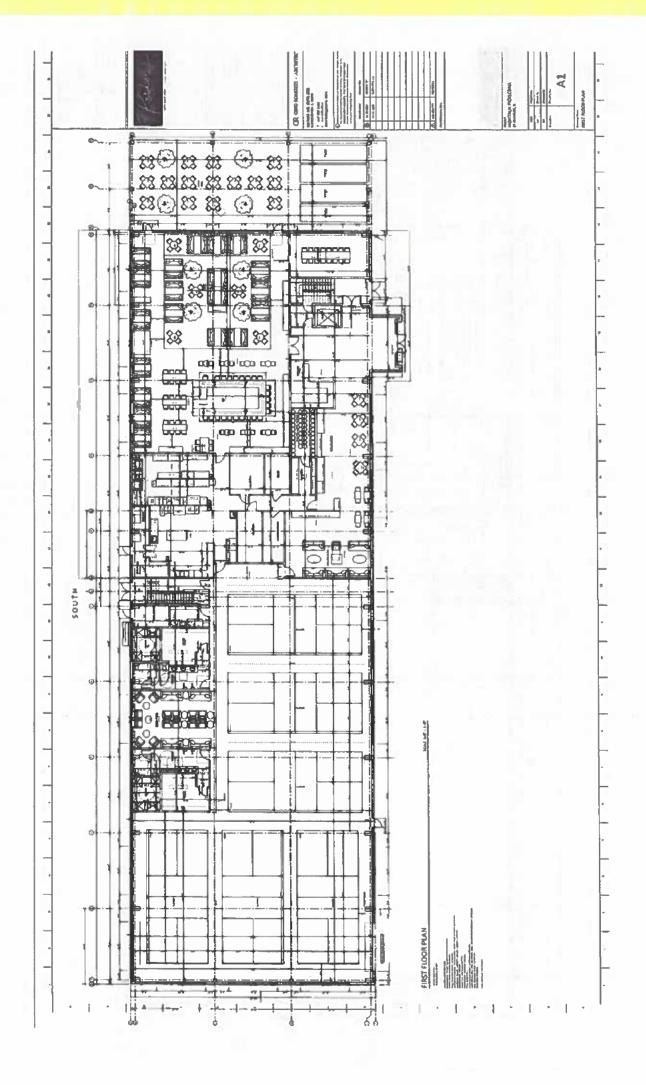
3298424 8300 SR# 20244636293

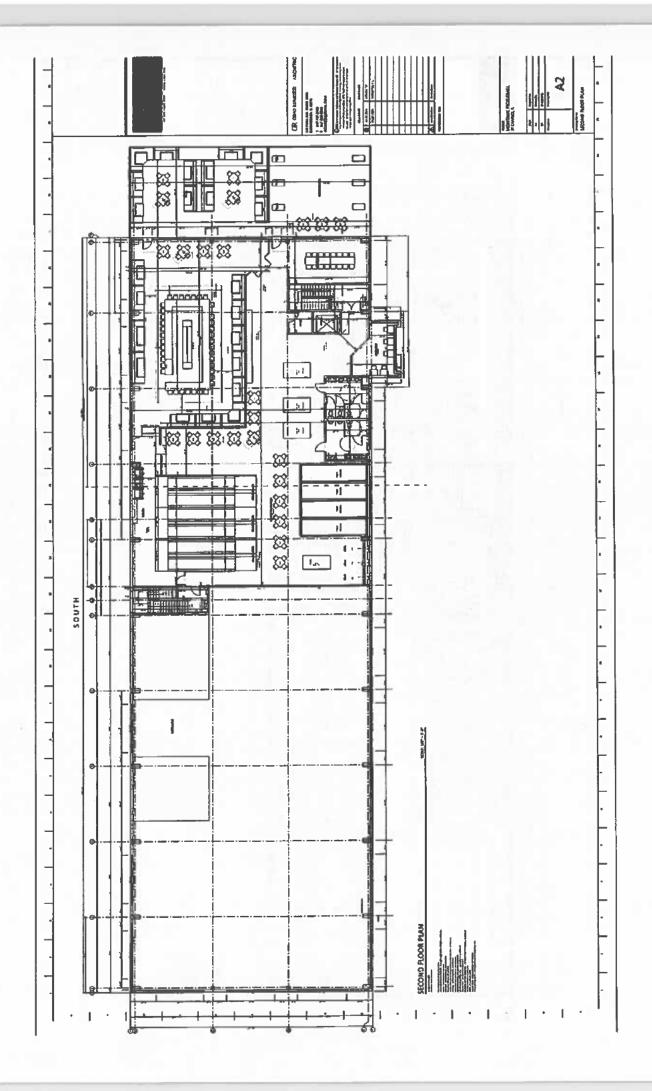
You may verify this certificate online at corp.delaware.gov/authver.shtml

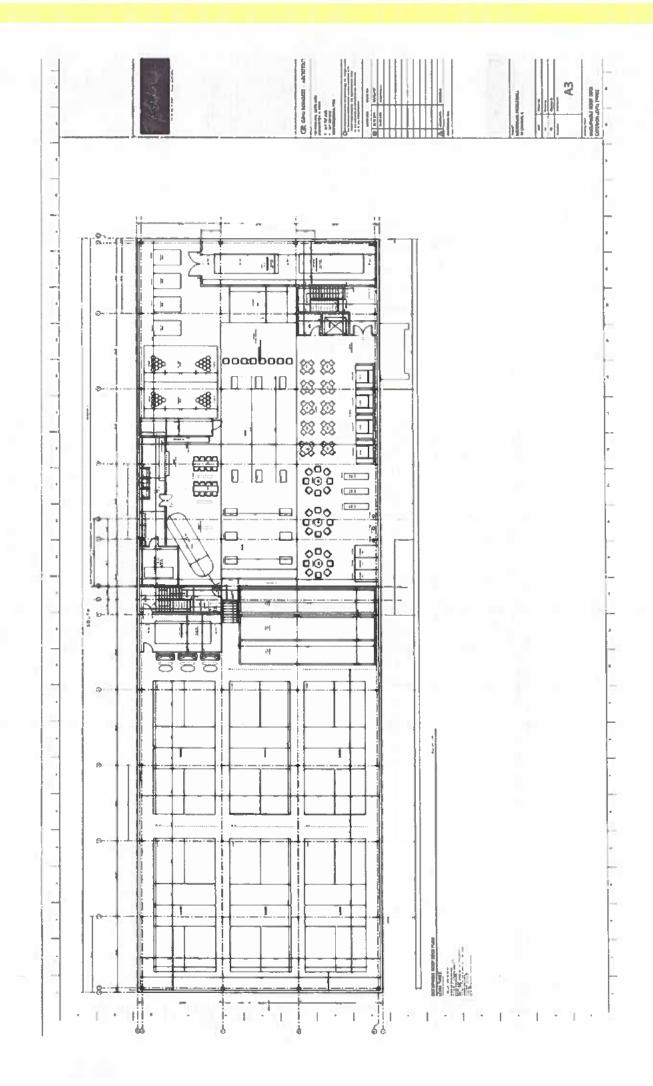


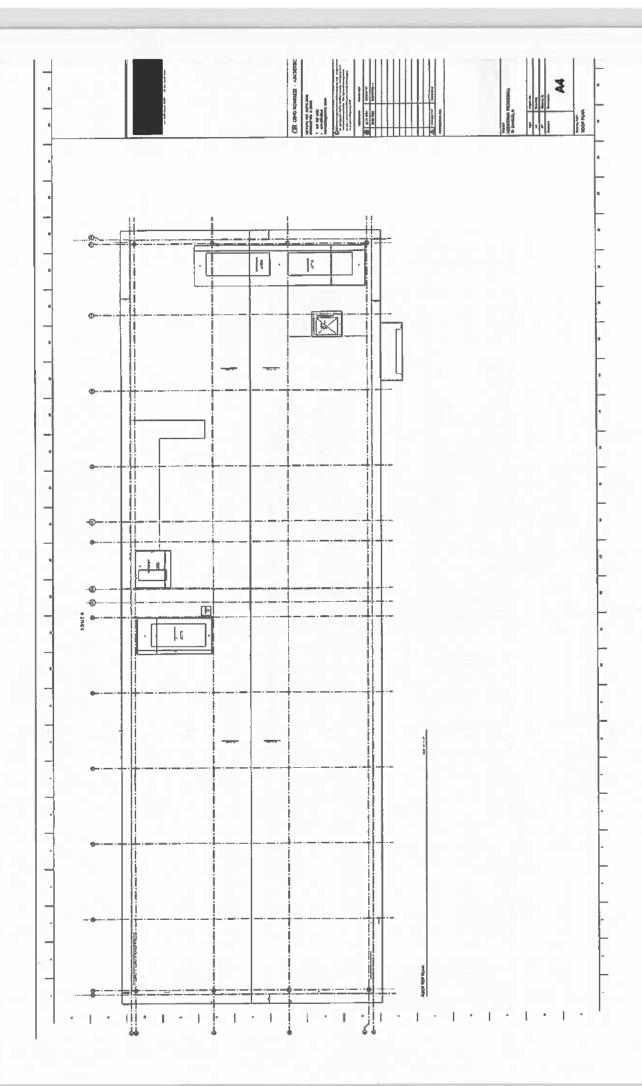
Authentication: 205258880

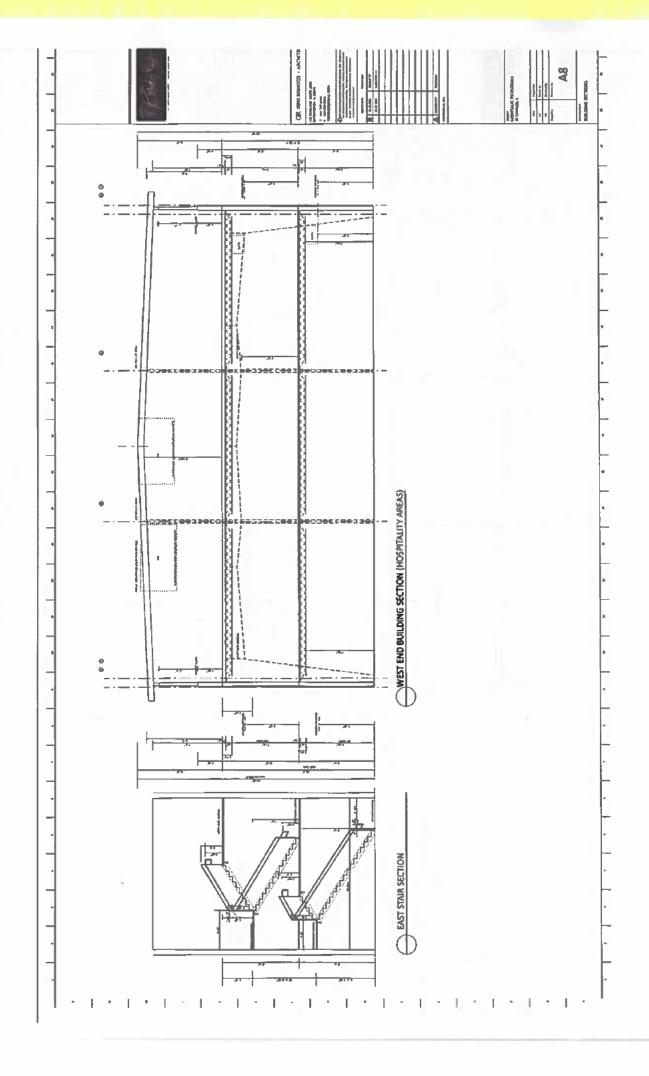
Date: 12-30-24

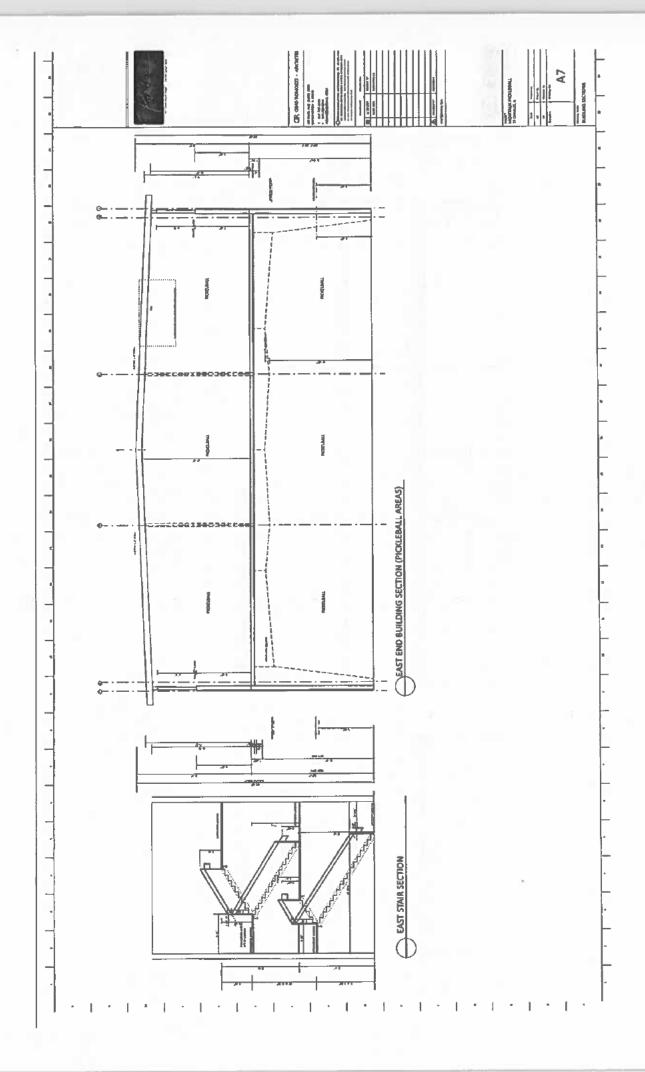


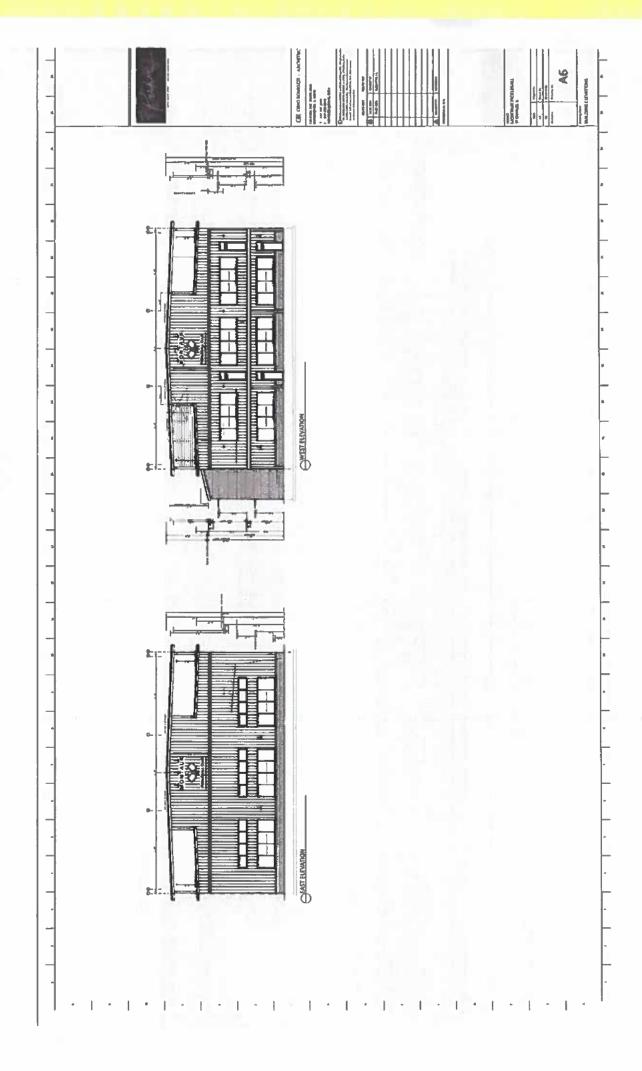


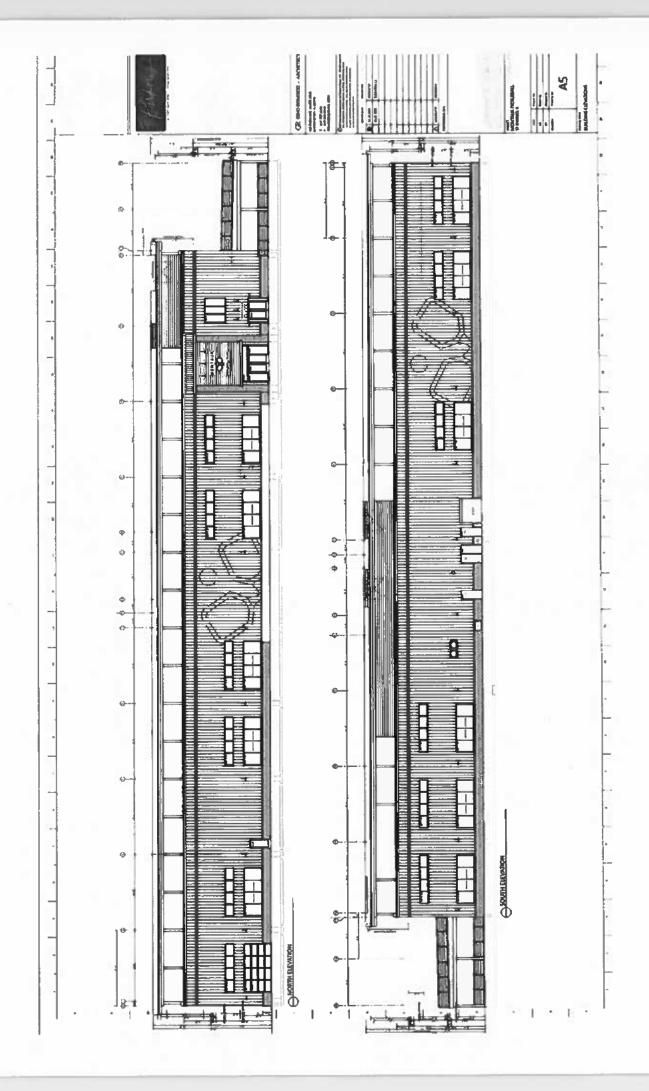












### SIT-DOWN RESTAURANT MENU

### **Appetizers & Soups**

New England Clam Chowder: corn, potato, carrot, celery, bacon, oyster cracker Tomato Bisque: roasted tomato, basil, grilled cheese crouton Soup of the day- Rotates

Crispy Calamari: rings and tentacles, house dredge marinara and lemon aioli
New York Pretzel Bites: coarse salt, stone ground mustard, queso
Buffalo Chicken Dip: 3 cheese blend, buffalo sauce. tortilla chips, celery sticks
NY Style Wings/Boneless: celery sticks, blue cheese or ranch, choice of mild, hot,
inferno

Crudite: seasonal vegetables, ranch, queso Hummus & Pita: feta, olives, seasonal vegetables, pita chips

### Pizza Menu

Margherita Pizza: Fresh mozzarella, tomato sauce, and basil
Pepperoni Pizza: Tomato sauce, mozzarella, and pepperoni, oregano
Sausage Pizza: tomato sauce, mozzarella cheese, Italian sausage, roasted red
peppers, caramelized onions, basil.
Hampton Veggie Pizza: Tomato sauce, mozzarella, mushrooms, zucchini, bell
peppers, onions, and olives

### Salads

### Add protein to Any salad/All salads available as wraps

Seaside Cobb Salad: mesclun, avocado, bacon, blue cheese, tomatoes, egg, and lemon vinaigrette

Coastal Caesar Salad: Romaine, shaved Parmesan, croutons

### Pasta & Entrées

Baked Rigatoni Vodka: vodka sauce, garlic bread
Baked Shrimp Scampl: shrimp, garlic, white wine, lemon, butter, gemelli, garlic
bread

Mac & Cheese: orecchiette, cheese blend, chive Add\$\$\$: Bacon, Chicken, Shrimp, Lobster

Grilled Salmon: herb marinated, coleslaw

Steak Frites: 10 oz. New York strip steak, french fries, garlic herb butter, garlic aioli

Roasted Chicken: roasted vegetables, yukon potato, chicken jus

**Handhelds** 

Lobster Roll: brioche roll, choice of hot or cold. Hot with butter, Cold with Lemon Aioli SmashBurger: double patty, american cheese, mustard aioli, pickle, brioche bun, add egg or bacon\$\$

Patty Melt: double patty, american and swiss, caramelized onion, rye, stone ground mustard

Grilled Cheese: 3 cheese, brioche, tomato bisque

### Sides

French Fries or Tots: old bay, parmesan, or buffalo style
Onion Rings: beer battered, mustard aioli
Sweet Potato Fries: Crispy sweet potato fries, served with a maple dipping sauce.
Colesiaw: cabbage, carrots, onion and a tangy dressing

**Breakfast Specialties (Sat & Sunday)** 

PERFECT EGG SANDWICH\* bagels: sesame | plain | everything, soft-boiled eggs, arugula, tomato, mozzarella, smashed avocado, olive oil, red pepper flakes, side of pura vida sauce \$14.95

CROISSANT SANDWICH\* egg scramble, mozzarella, croissant ,tomato, mixed greens, spicy aioli \$15.95

New England Pancakes: Maine blueberries, whipped butter, maple syrup

French Toast: brioche, berries, powdered sugar

OVERNIGHT OATS wholegrain of oats, almond mylk, dates, goji berries, almonds, pumpkin seed, cinnamon, strawberry, blueberry, vegan of granola

Breakfast Pizza: cream sauce, sausage, egg, potato, chili

Monkey Bread: Hampton Recipe

Breakfast Potatoes: potato wedges, old bay, parsley

Side Bacon Side Sausage

### **Dessert**

Key Lime Pie: graham cracker, whipped cream

New York Cheesecake: graham cracker crust, topped with strawberries or

blueberry compote

Cannoli: citrus ricotta, chocolate chip, pistachio
Chocolate Chip Cookies: Freshly baked, soft, and chewy

Churro Cake: Hampton Recipe

### **QUICK-SERVE / GRAB&GO MENU**

Coffee Bar
ESPRESSO DOUBLE \$3.50
CORTADITO \$4.50
MACCHIATO DOUBLE \$4.50
CAPPUCCINO \$5.50 | ICED \$6.25
LATTE \$5.50 | ICED \$6.25
AMERICANO \$4.00 | ICED \$4.25
SINGLE ORIGIN DRIP \$3.75 | ICED \$4
COLD BREW ON ICE \$6.25

ICED BANANA BREW \$7.95 espresso, oat mylk, banana, date, cinnamon MATCHA LEMONADE \$7.95 japanese matcha green tea, lemon, agave SPICED CHAITEA LATTE • black tea & spiced chai tea GINGER TEA LATTE • blue butterfly pea tea, ginger, raw local honey NEW COCOA HOT | ICED \$7.95 cocoa, oat mylk, agave, whipped cream, cinnamon

REFRESHER \$6.95 your choice | mango pineapple • strawberry blueberry made with fresh fruit & lala lemonade | sub coconut water

ARTISANAL TEAS HOT \$4.00 | ICED \$5.00

HOT TEA| green tea• earl grey creme• pacific coast mint ICED TEA| summer peach & black tea• hibiscus lemongrass SIGNATURE HOUSE LATTES HOT \$7.00 | ICED \$7.25

MATCHA LATTE • artisanal japanese green tea choose your milk • or make with coconut water (served iced only)

### **Smoothies**

PLAYA PAPAYA papaya, pineapple, coconut water \$11.95 SUPERGREENS spinach, kale, cucumber, ginger, celery, pineapple, green apple, lemon \$11.95

VITAMIN SEA strawberry, blueberry, pineapple, cold-pressed orange \$11.95

OMER'S POST WORKOUT blueberry, banana, spinach, almond butter, almond mylk, vegan vanilla protein\* \$11.95

WELCOME TO MIAMI passion fruit, mango, banana \$9.95
CHOCOLATE PB banana, peanut butter, almond mylk, raw local honey, grass-fed whey chocolate protein\* \$9.95

### **Acai Bowls**

SIGNATURE acai blended with banana, pineapple, strawberry, banana, shaved coconut, chia seed, vegan gf granola\* \$14.95

PB LOVER raw acai blended with banana, strawberry, blueberry, shaved coconut, pecan, goji berry, peanut butter, vegan gf granola\* \$15.95

BALI CRUNCH raw acai blended with banana, banana slices, mango, goji berry, cacao nib, almond butter, vegan gf granola\* \$15.95

### All Day Menu

### **Breakfast**

PERFECT EGG SANDWICH\* bagels: sesame | plain | everything, soft-boiled eggs, arugula, tomato, mozzarella, smashed avocado, olive oil, red pepper flakes, side of pura vida sauce \$14.95

CROISSANT SANDWICH\* egg scramble, mozzarella, croissant ,tomato, mixed greens, spicy aioli \$15.95

SMOKED SAMMY multigrain sourdough\*, smoked salmon, soft-boiled eggs, smashed avocado, za'atar cream cheese, scallion, cucumber, sliced tomato, arugula, red onion, dill, lemon oil, red pepper flakes \$21.95

BERRY RICOTTA TOAST sourdough, ricotta, lemon, mint, blueberry, strawberry, honey, vegan gf granola\* \$13.95

OVERNIGHT OATS wholegrain gf oats, almond mylk, dates, goji berries, almonds, pumpkin seed, cinnamon, strawberry, blueberry, vegan gf granola\* \$13.95

THE NEW YORKER sourdough, za'atar cream cheese, scallion, smoked salmon, tomato, pickled red onion, atfalfa sprout, lemon oil drizzle \$16.95 + soft boiled eggs \$4.95

### Sandwiches

CALI CHICKEN ciabatta, chicken, avocado, mozzarella, red onion, tomato, mixed greens, herb vinaigrette, chipotle aioli \$17.95

PONZU TUNA\* ciabatta, raw tuna, avocado, cucumber, arugula, pickled red onion, carrot, cilantro, sesame seed, spicy aioli, ponzu yuzu\* \$22.95

PESTO CHICKEN\* ciabatta, chicken, arugula, tomato, goat cheese, pesto sauce\*, balsamic glaze, side of pura vida sauce \$19.95

TUNA SPROUT\* multigrain sourdough\*, arugula, tomato, sprouts, tuna salad with chopped veggies & mustard aioli, side of vegan gf green tahini\* \$18.95

### Bowls

SUMMER CHICKEN chicken, cilantro jasmine rice, arugula, avocado, pineapple, sweet bell pepper, carrot, sesame seed, micro cilantro, side of spicy soy ginger \$19.95

MANGO SALMON salmon, quinoa, arugula, avocado, mango, pickled red onion, cherry tomato, sesame seed, side of pura vida sauce \$25.95

SPICY TUNA\* raw tuna, cilantro jasmine rice, arugula, avocado, cucumber, radish, micro cilantro, scallion, sesame seed, ponzu yuzu\*, spicy aioli \$24.95

### <u>Salads</u>

### Add protein to Any salad/All salads available as wraps

Seaside Cobb Salad: mesclun, avocado, bacon, blue cheese, tomatoes, egg, and lemon vinaigrette

Coastal Caesar Salad: Romaine, shaved Parmesan, croutons
Southwestern Salad: Romaine, black beans, corn, tomatoes, avocado, cheddar
cheese, tortilla strip, chipotle ranch

Thai Crunch Salad: Napa cabbage, carrots, red bell peppers, edamame, crispy wonton strips, sunflower dressing.

### Juice Bar (Look into RTG bottles)

Green Juice- kale, cucumber, celery
Tropical Juice- apple, strawberry, banana, pineapple
Rx Booster- apple, carrot, ginger
Calm- apple, strawberry, ginger

### Grab n Go Snacks

Protein Packs (HB Egg, Cheese Stick, Beef Jerky, Roasted Nuts)
Cliff Bars
Apples, Orange, Banana
Chips (multiple varieties)
Kind Bars

### Grab n Go Drinks

Kombucha
Artisanal Soda
Coke Products
Gatorade
Sparkling Water

### **HOURS OF OPERATION**

MON: 11:00 am - 11:00 pm TUE: 11:00 am - 11:00 pm WED: 11:00 am - 11:00 pm THU: 11:00 am - 12:00 am FRI: 11:00 am - 2:00 am SAT: 11:00 am - 2:00 am SUN: 11:00 am - 11:00 pm

21+10:00 PM - CLOSE on Friday and Saturday





Date:

February 4, 2025

## Need to be fingerprinted? Please contact the St. Charles Police Department for an appointment: 630-377-4435 1515 W. Main St.

| Payment Method | Check No. | Received From               |
|----------------|-----------|-----------------------------|
| Check          | 12583     | Hampton Social Ventures LLC |

| Qty  | Cost     | Description                                | Account Code | Fee          |
|------|----------|--|--------------|--------------|
|      |          | Liquor License Class A - Packaged          | 100999-42100 | \$<br>-      |
| 1.00 | \$200.00 | Liquor License Class B - Restaurants       | 100999-42101 | \$<br>200.00 |
|      |          | Liquor License Class C - Tavern/Bar        | 100999-42102 | \$<br>-      |
|      |          | Liquor License Class D - Specific          | 100999-42103 | \$           |
|      |          | Liquor License Class E - Temporary         | 100999-42104 | \$<br>-      |
|      |          | Liquor License Class F - BYOB              | 100999-42105 | \$           |
|      |          | Liquor Violations Fee                      | 100999-42290 | \$<br>2      |
|      |          | Massage Establishment License<br>Fee/Renew | 100999-42205 | \$<br>9      |
|      |          | Loudspeaker License                        | 100999-42210 | \$<br>9      |
|      |          | Towing License                             | 100999-42202 | \$           |
|      |          | Scavenger/Refuse License                   | 100999-42203 | \$           |
|      |          | Bowling Alley License                      | 100999-42204 | \$<br>12     |
|      |          | Billiard License                           | 100999-42206 | \$<br>72     |
|      |          | Carnival License/Fees                      | 100999-42210 | \$           |
|      |          | Coin-Operated Amusement                    | 100999-42220 | \$<br>-      |
|      |          | Cigarette                                  | 100999-42230 | \$<br>14,    |
|      |          | Cigarette OTC                              | 100999-42231 | \$           |
|      |          | Theater License                            | 100999-42240 | \$           |
|      |          | Fingerprint Fee (\$50 per person)          | 100999-46207 | \$           |
|      |          | Legal Fees                                 | 100120-54110 | \$           |
|      |          | Miscellaneous Revenue/Legal Fees           | 100999-46299 | \$<br>140    |
|      |          | Liqour License Late Fee                    | 100999-45205 | \$<br>141    |
|      |          | Tobacco/Massage Violations                 | 100999-42290 | \$<br>-      |
|      |          | Video Gaming Devices/License               | 100999-42225 | \$           |
|      |          |  | Total        | \$<br>200.0  |

**Executive Summary** 

Business Name: Montauk Pickleball Club

**Business Structure: LLC** 

Location: St. Charles

<u>Vision</u>: To establish ourselves as the premier destination for pickleball enthusiasts by offering an unparalleled blend of sports and dining experiences suitable for all ages and skill levels. Beyond providing a vibrant space for playing pickleball, our venue will serve as a relaxing hub for socializing with friends, hosting private events, and enjoying sports broadcasts. Additionally, we plan to enhance our recreational offerings by incorporating duckpin bowling lanes and ping pong tables on a mezzanine level dedicated to dining and focused on hosting private events. This multi-level approach ensures a dynamic and inclusive environment that caters to a variety of entertainment preferences.

The venue will also have a rooftop with outdoor seating and proposed sidewalk seating. This will be a non-smoking venue in all areas, including the outdoor seating area. The venue will also feature live music.

<u>Mission</u>: Our mission is to provide a superior pickleball and dining experience that encourages active living, enhances social connections, and offers delightful beverage choices. We are committed to creating and managing a hospitality concept that is economical to set up and maintain. By leveraging technology to minimize labor costs and designing a food and beverage program focused on efficiency, we aim to consistently deliver quality offerings that our customers can depend on while increasing net incomes.

Objectives: To establish a profitable pickleball concept with integrated dining facilities within the first year of operation.

#### **Business Offering**

#### Services:

- Indoor and outdoor pickleball courts available for play, lessons, and tournaments.
- Recreation level focused on additional activities like duck pin bowling, ping pong and sports viewing.
- Self-service restaurant featuring a few signature items from Hampton Social, enhanced

with healthy options tailored for the active pickleball enthusiast. Our menu is crafted to minimize preparation time, utilizing pre-assembled ingredients and advanced cooking technologies. These technologies simplify the cooking process, making it easy for even novice kitchen staff to execute our dishes efficiently and consistently.

- To go dining for guests on the go and delivery.
- Offer membership passes and Membership packages offering various benefits,

such as discounts, exclusive access to events, and priority bookings.

- Event hosting for corporate events, private parties, and community gatherings.
- Products:
- Food and Beverage
- Custom branded sportswear and equipment sales.
- Health and wellness products, including nutritional supplements and gear.
- Court Rentals

|   | AGEN   | IDA ITEM      | EXECUTIVE SUMMARY                                  | Agenda Item number: 7     |  |
|---|--|---------------|--|---------------------------|--|
| Recommendation to approve a Proposal for an A-2 Liquor  |  |               |  |                           |  |
|   | Title: License Application for Whole Foods Market Group, Inc., |               |  | Market Group, Inc.,       |  |
|   |  | Located       | at 300 S. 2 <sup>nd</sup> St., St. Charles         |                           |  |
| CITY OF<br>ST. CHARLES<br>ILLINOIS • 1834   | Presenter:   | Acting Po     | Acting Police Chief Eric Majewski                  |                           |  |
| Meeting: Lique  | or Control Co  | ommission     | <b>Date:</b> April 21, 20                          | 25                        |  |
| Proposed Cost   | d Cost:  Budgeted Amount: \$  Not Budgeted:                    |               |  | Not Budgeted: □           |  |
| TIF District: Cl  | hoose an iten  | n.            |  |                           |  |
| Executive Sum   | mary (if not   | budgeted,     | please explain):                                   |                           |  |
|   |  |               |  |                           |  |
| Whole Foods N   | /larket Group  | o, Inc., loca | ted at 300 S. 2 <sup>nd</sup> St., is requesting a | approval of an A-2 liquor |  |
| license applica   | tion for their   | business.     |  |                           |  |
|   |  |               |  |                           |  |
|   |  |               |  |                           |  |
|   |  |               |  |                           |  |
|   |  |               |  |                           |  |
| Attachments (   | alaaca list):  |               |  |                           |  |
| Attachments (please list): Liquor License   |  |               |  |                           |  |
| ·   |  |               |  |                           |  |
| Recommendation/Suggested Action (briefly explain):  |  |               |  |                           |  |
| Recommendation to approve a proposal for an A-2 Liquor License application for Whole Foods Market |  |               |  |                           |  |
| Group, located at 300 S. 2 <sup>nd</sup> St., St. Charles.  |  |               |  |                           |  |

#### Police Department

#### Memo



Date: 4/17/2025

To: Lora Vitek, Mayor-Liquor Commissioner

From: Eric Majewski, Deputy Chief of Police

Re: Background Investigation- Whole Foods Market Group Inc., dba Whole Foods

Market, 300 2. 2nd St., St. Charles (A-2 Liquor License)

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above-mentioned establishment.

Whole Foods Market is located at 300 S. 2<sup>nd</sup> St, The former location of the Blue Goose. The business is in the process of making renovations. Whole Foods Market is a grocery store that sells packaged alcoholic beverages for off-site consumption only.

The site location/floor plans and the corresponding application materials were reviewed by my staff. We found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with an on-site consumption license, subject to City Council approval.

Please see the application material, floorplan and business-plan for further details.

#### Police Department

#### Memo



Date: 04/08/2025

To: Deputy Chief Eric Majewski #317

From: Commander Drew Lamela #340

Re: Liquor License Background / Whole Foods Market

The purpose of this memo is to document the background investigation of Whole Foods Market Group, Inc., pursuant to its application for a Class A-2 liquor license. A Class A-2 license shall authorize the retail sale of alcoholic liquors in original packages only and not for consumption on the premises. The primary purpose of the premises shall be for retail sales other than the retail sales of alcoholic liquor, such as food store, drug store or mass merchandiser. The premises shall have a minimum gross area of ten thousand (10,000) square feet, and provided the square footage devoted to the retail sale of alcoholic liquor is ten percent (10%) or less, of the gross square footage.

#### Applicant/Corporate Name

Whole Foods Market Group, Inc. – dba: Whole Foods Market

PO Box 684786

Austin, Texas 78768

Telephone: (737) 230-8612

#### General Manager

Malicoat, Kristina M.

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#### **Application**

The application was received on 03/18/2025. The application is complete to include a signed lease, a business plan, floor plan, Certificate of Incorporation, and a Certificate of Insurance (dram shop). Kristina Malicoat is listed as the General Manager of Whole Foods Market. The Illinois Liquor Control Commission listed their current state license as active. Whole Foods Market Group, Inc has an active status via the Illinois Secretary of State website. A copy of the lease agreement was included with the application. The property is being leased through SDGFTU 300 LLC., St. Charles Premium Grocer. The agreement is a 20-year lease with an option for 6 terms of 5-years for each extension.

Whole Foods Market will be located at 300 S. 2<sup>nd</sup> Street in St. Charles, Illinois. (Formerly known as Blue Goose) Whole Foods Market will sell packaged alcohol (like other supermarkets) for offsite consumption only. This will be in addition to their sale of healthy sources of local, organic, and plant-based products. They offer products in categories of meat and poultry, grocery, coffee and tea, nutritional supplements, beauty products, bakery, seafood, and household goods.

#### **General Manager**

Malicoat, Kristina M.

On 04/07/2025, at approximately 1000 hours, I met with Kristina at the St. Charles Police Department where she signed all required waiver forms, allowing me to conduct this background investigation. Kristina resides at the above address in St. Charles, Illinois and has been there for 2 months. Kristina stated that she has been employed with Whole Foods Market for 12 years and will be assigned as the General Manager for the St. Charles branch. Kristina stated that she is

currently assigned to the Whole Foods Market in Evergreen Park, Illinois.

Kristina stated that the business is currently under renovation. Kristina stated that there is no inventory at this time. Kristina stated that Whole Foods Market will be hiring 130 employees. Of the 130 employees, they will hire 3 managers and 7 team leaders. Kristina stated that Whole Foods Market will be open 7-days a week from 8:00am – 10:00pm.

Kristina provided me with prior home addresses:



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I ran Kristina through the Illinois Liquor Control Commission, which showed her BASSET certification to be valid and expires on 03/11/2028.

A check with the Riverside Police Department revealed no contact with Kristina.

A check with the Evergreen Police Department revealed the following contacts with Kristina:

- CR# 19-3685 Lost/Mislaid Property at Whole Foods Market Kristina Malicoat listed as "Involved Other"
- CR# 19-3871 Suspicious Person at Whole Foods Market Kristina Malicoat listed as "Reporting Person"
- CR# 20-1105 Deceptive Practice at Whole Foods Kristina Malicoat listed as "Involved Other"

A check with the Oak Park Police Department revealed no contact with Kristina.

A search through the Chicago Police Department's IClear system revealed no negative contacts with Kristina.

A search through the Kane County Aegis system revealed no contact with Kristina.

A search through our department's New World system revealed no contact with Kristina.

A search through Kane County, Cook County, DuPage County, Will County and the DeKalb County Clerk's Office revealed no prior or current court cases with Kristina.

A search through TLOxp revealed no judgements, liens or forfeitures against Kristina.

On 04/07/2025, Kristina had her fingerprints taken at the St. Charles Police Department, which were sent to the FBI and Illinois Bureau of Identification. Kristina's fingerprints returned, which revealed no criminal history.

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#### **Site Inspection**

On 04/08/2025, I went to 300 S. 2<sup>nd</sup> Street, the future site of Whole Foods Market. I noted that the interior business was under construction. There were several construction vans from Novak Construction parked in the main lot. There were barricades up along the S. 2<sup>nd</sup> Street entrance and barricades up along the S. 1<sup>st</sup> Street entrance, preventing anyone entering. I spoke with a worker who advised that they were currently cutting metal inside of the business and that the roofing was being completed. I was advised that the business was not set up yet but would probably be ready to open within the next few weeks. At that point, I ended my site inspection.

This concludes this background investigation.

Respectfully submitted

Cammander Draw Lamela #34(

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# Certificate of Completion

This is to certify that

# Kristina Malicoat

has diligently and with merit completed

Off-Premise BASSET Alcohol Certification

Completion Date: 03/11/2025

Download your official BASSET card at mytax.illinois.gov This temporary certificate is valid for 30 days.

President, CEO and Director John Comly

225 East Robinson St Ste 570 Orlando, FL 32801

Certificate # 16473047

#### Organizational Chart

100% Shareholder of Whole Foods Market Group, Inc.

#### WHOLE FOODS MARKET, INC.

a Texas Corporation FEIN: 74-1989366

#### License Applicant

#### WHOLE FOODS MARKET GROUP, INC.

DBA Whole Foods Market
A Delaware Corporation
FEIN 52-1711175
IDOR Sales/Use Tax no. 2458-1259
Officers

President - Keith Manbeck Secretary - Jay Warren



#### City of St. Charles License Certification

| Business Name                       |
|-------------------------------------|
| WHOLE FOODS MARKET                  |
| Business Address                    |
|                                     |
| 300 S 2ND ST., ST. CHARLES IL 60174 |
|                                     |

As a condition to the issuance by the City of the requested license, applicant does hereby agree to operate the aforesaid licensed business in accordance with the Codes, Ordinances and Policies of the City of St. Charles, County of Kane, and State of Illinois, now in force, or which may be enacted during the duration of this issued license. Applicant certifies and acknowledges that the information contained within this new license application, or its renewal, is true and correct. Applicant acknowledges that an untrue, incorrect, or misleading answer given in this application is grounds for the refusal to grant, or the revocation of, any license granted pursuant to this application.

| to this application.  | 3-18-2025 |
|---|-----------|
| Applicant's Signature  State of Illineis  County of Travis                      | Date      |
| Signed before me this 18th day of March 20 25 by Keith Mankeck                  |           |
| Notary Public   |           |
| ROBERT DAVID COVINGTON Notary ID #126838694 My Commission Expires April 3, 2028 |           |





#### **Business Entity Search**

#### **Entity Information**

| Entity |  |
|--------|--|
| Name   |  |

WHOLE FOODS MARKET GROUP, INC.

File

57536284

Status

ACTIVE

Number

CORPORATION

Type of

**FOREIGN BCA** 

Corp

Qualification

**Entity Type** 

10-29-1993

State

**DELAWARE** 

Date

(Foreign)

Duration Date PERPETUAL

Annual

Report

09-12-2024

Annual Report

2024

Year

Agent Information

**Filing Date** 

C T CORPORATION

SYSTEM

208 SO LASALLE ST,

**SUITE 814** 

CHICAGO ,IL 60604-1101

Agent Change

Date

01-23-2002

#### **Business Entity Search**

Choose a tab below to view services available to this business and more information about this business.

| Officer   | Name and Address |
|-----------|------------------|
| President | KEITH MANBECK    |
| Secretary | JAY WARREN       |

#### CERTIFICATE OF INCORPORATION

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#### PRESH FIELDS MARKETS, INC.

The undersigned, a natural person, for the purpose of organizing a corporation for conducting the business and promoting the purposes hereinafter stated, under the provisions and subject to the requirements of the laws of the State of Delaware (particularly Chapter 1, Title 8, of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified and referred to as the "General Corporation Law of the State of Delaware") hereby certifies that:

FIRST: The name of the corporation (hereinafter called the "corporation") is:

#### FRESH FIELDS MARKETS, INC.

SECOND: The address, including street, number, city and county, of the registered office of the corporation in the State of Delaware is 32 Loockerman Square, Suite L-100, City of Dover, County of Kent; and the name of the registered agent of the corporation in the State of Delaware at such address is The Prentice-Hall Corporation System, Inc.

THIRD: The nature of the business and of the purposes to be conducted and promoted by the corporation shall be to conduct any lawful business, to promote any lawful purpose, and to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of stock which the corporation has authority to issue is 1,000. The par value of each of such shares is \$10.00. All such shares are of one class and are shares of common stock.

FIFTH: The name and the mailing address of the incorporator are as follows:

Hame

Mailing Address

Robin Wadler

405 Park Avenue New York, New York 10022

SIXTH: The corporation is to have perpetual existence.

STATE OF DELAWARE SECRETARY OF STATE DIVISION OF CORPORATIONS FILED 09:00 AM 12/12/1990 750346083 - 2249102 EXVENTE: The corporation shall, to the fullest extent permitted by Section 145 of the General Corporation Law of Delaware, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said section from and against any and all of the expenses, liabilities or other matters referred to in or covered by said section, and the indemnification provided for herein shall not be deemed exclusive of any other right to which those indemnified may be entitled under any By-Law, agreement, vote of shareholders or disinterested directors or otherwise; both as to action in his official capacity and as to action in another capacity while holding such office, and shall continued as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

IN WITNESS WHEREOF, the undersigned has executed and acknowledged this Certificate this 11th day of December, one thousand nine hundred and Minety (1990).

Robin Madler, Incorporator 405 Park Avenue New York, New York 10022

· \* 7 .

7,

STATE OF NEW YORK ) COUNTY OF NEW YORK)

BE IT REMEMBERED THAT, on December 11, 1990, before me, a Notary Public duly authorised by law to take acknowledgment of deeds, personally came Robin Wadler the Incorporator, who duly executed the foregoing Certificate of Incorporation before me and acknowledged the same to be her act and deed, and that the facts therein stated are true.

GIVEN under my hand on December 11, 1990.

RACHEL R. MONTANA
Motary Public, State of New York
No. 31-5381460
Quatified in New York County
Commission Expires October 31, 1990

FAX NO. 3027341478
STATE OF DELAMARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 03:45 PR 08/30/1996
950254248 - 2249102

#### CERTIFICATE OF MERGER OF DOMESTIC CORPORATIONS

Pursuant to the provisions of Section 251 of the Delaware General Corporation Law, Fresh Fields Markets, Inc., a Dalaware corporation, hereby delivers to the Secretary of State of Delaware the following Certificate of Merger:

 The names of the constituent corporations in the merger and the states under the laws of which they are respectively organized are:

#### Name of Corporation

#### State of Incorporation

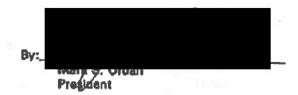
Fresh Fields Markets, Inc.
Whole Foods Market Mid-Atlentic, Inc.

Delaware Delaware

- The Agreement and Plan of Merger has been approved, adopted, cartified, executed and acknowledged by each of the constituent corporations in accordance with Section 251 of the Delaware General Corporation Law.
- 3. Whole Foods Market Mid-Atlantic, Inc. will merge with and into Fresh Fields Markets, Inc. (the "Merger"), and Fresh Fields Markets, Inc. shall be the corporation surviving the Merger (the "Surviving Corporation") and shall continue its corporate existence under the laws of the State of Delaware; provided, however, the name of the Surviving Corporation, Fresh Fields Markets, Inc., as amended, shall be "Whole Foods Market Mid-Atlantic, Inc." The Restated Certificate of Incorporation, amended in its entirsty, of Fresh Fields Merkets, Inc., as the Surviving Corporation, shall be as reflected on Exhibit A attached hereto.
- 4. A copy of the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation at 6015 Executive Boulevard, Rockville, Meryland 20852. A copy of the Agreement and Plan of Merger will be furnished by Fresh Fields Merkets, Inc., as the Surviving Corporation, on request and without cost, to any stockholder of any of the constituent corporations.

IN WITNESS WHEREOF, the undersigned corporation has executed this Certificate of Merger as of the 30th day of August, 1996.

#### FRESH FIELDS MARKETS, INC.



ATTEST:

Secretary

#### EXHIBIT "A"

#### RESTATED CERTIFICATE OF INCORPORATION

- The name of the Corporation is Whole Foods Mid-Atlantic, Inc.
- The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.
- The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.
- The Corporation is authorized to issue 10,000 shares of common stock, \$.01
  par value per share.
- The number of directors of the Corporation shall be fixed in the manner provided in the Bylaws of the Corporation, and until changed in the manner provided in the Bylaws shall be one in number.
- In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation shall have the power to adopt, amend or repeal the Bylaws of the Corporation.
- 7. The Corporation reserves the right to smend, alter, change or repeal any provision contained in this Certificate of incorporation, in the manner prescribed by statute, and eli rights conferred upon stockholders herein are granted subject to this reservation.
- 8. A director of the Corporation shall not, to the fullest extent permitted by the Delaware General Corporation Law as the same exists or may hereafter be amended, be liable to the Corporation or its stockholders for monetary demages for breach of his or her fiduciary duty to the Corporation or its stockholders.

#### CERTIFICATE OF AMENDMENT TO THE CERTIFICATE OF INCORPORATION OF WHOLE FOODS MARKET MID-ATLANTIC, INC.

WHOLE FOODS MARKET MID-ATLANTIC, INC. (the "Corporation"), which is existing under and by virtue of the Delaware General Corporation Law, does hereby certify as follows:

FIRST: The Board of Directors of the Corporation has adopted a resolution approving the following as an amendment to the Certificate of Incorporation of the Corporation:

Article 1. of the Certificate of Incorporation is amended to read in its entirety as follows:

The name of the Corporation is Whole Foods Market Group, Inc.

SECOND: That thereafter stockholders of the Corporation entitled to vote on the proposed amendment approved the proposed amendment by a written consent executed by the holders of the necessary number of shares of common stock in accordance with Section 228 of the Delaware General Corporation Lew.

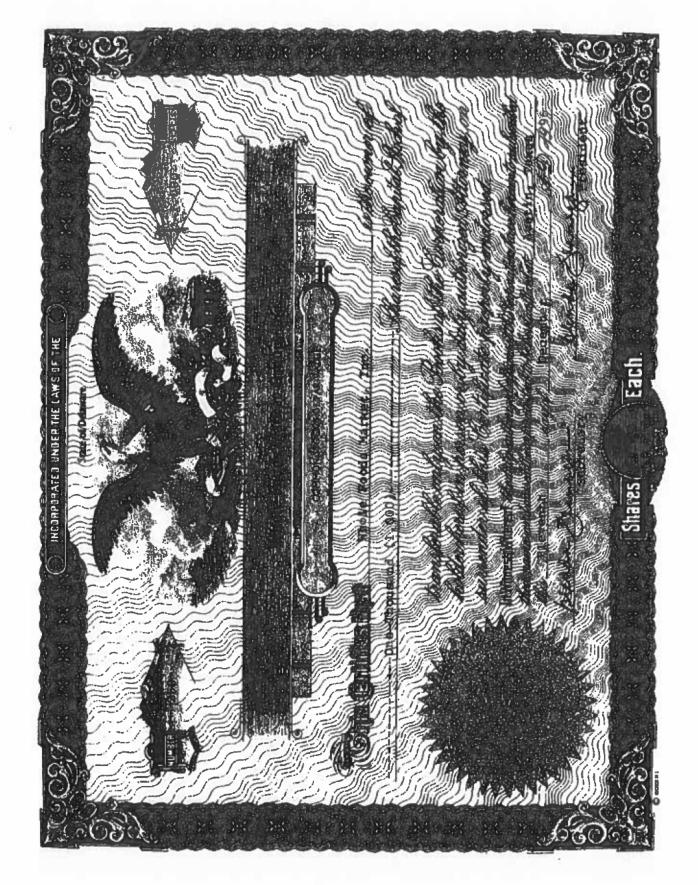
THIRD: That this amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

FOURTH: That this Certificate of Amendment shall be effective upon the filling hereof.

The undersigned, being the Assistant Secretary of the Corporation, for the purpose of amending the Certificate of Incorporation of said corporation pursuant to the Delaware General Corporation Law, does make this certificate, hereby declaring and certifying that this is her act and deed and the facts herein stated are true, and accordingly has hereunto set her hand this 11th day of December, 1996.

WHOLE FOODS MARKET GROUP, INC.





#### WHOLE FOODS MARKET GROUP, INC.

#### SECRETARY'S CERTIFICATE

I, Jay Warren, hereby certify that I am the duly elected, qualified, and acting Secretary of Whole Foods Market Group, Inc., a Delaware corporation (the "Corporation"), and that I have been appointed and am presently serving in such capacity in accordance with the Bylaws of the Corporation. I further certify that I am authorized, on behalf of the Corporation, to execute this certificate.

I hereby certify on behalf of the Corporation that the following officers were duly elected in accordance with the Bylaws of the Corporation by written consent of the Board of Directors on February 28, 2020, and are presently serving in the capacities stated:

Keith Manbeck

President and Treasurer

Jay Warren

Secretary

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate on this 11th day of March, 2020.

WHOLE FOODS MARKET GROUP, INC.

By:

Jay Warren, Secretary





#### **Franchise Tax Account Status**

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

| WHOLE FOODS MARKET, INC.            |  |
|-------------------------------------|--|
| Texas Taxpayer Number               | 17419893668                                |
| Mailing Address                     | 311 BOWIE ST STE 800 AUSTIN, TX 78703-0074 |
| Right to Transact Business in Texas | ACTIVE                                     |
| State of Formation                  | TX   |
| Effective SOS Registration Date     | 08/15/1978                                 |
| Texas SOS File Number               | 0044435900                                 |
| Registered Agent Name               | CT CORPORATION SYSTEM                      |
| Registered Office Street Address    | 1999 BRYAN ST. SUITE 900 DALLAS, TX 75201  |



#### Office of the Secretary of State

#### CERTIFICATE OF RESTATED ARTICLES OF

#### WHOLE FOODS MARKET, INC. 44435900

The undersigned, as Secretary of State of Texas, hereby certifies that the Restated Articles for the above named entity have been received in this office and have been found to conform to law.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law hereby issues this Certificate of Restated Articles.

Dated: 03/24/2006

Effective: 03/24/2006





Roger Williams Secretary of State

FILED In the Office of the Secretary of State of Texas

MAR 24 2006

Corporations Section

# AMENDED AND RESTATED ARTICLES OF INCORPORATION (With Amendments) OF WHOLE FOODS MARKET, INC. A Texas Corporation

Pursuant to the provisions of the Texas Business Corporation Act, Whole Foods Market, Inc., a Texas corporation (the "Corporation"), hereby adopts these Amended and Restated Articles of Incorporation (the "Restated Articles"), which accurately reflect the original Articles of Incorporation and all amendments thereto that are in effect to date (collectively, the "Original Articles") and as further amended by such Restated Articles as hereinafter set forth and which contain no other change in any provision thereof.

- 1. The name of the Corporation is Whole Foods Market, Inc.
- 2. The Original Articles of the Corporation are amended by these Restated Articles as follows:

ARTICLE VI is amended and restated in its entirety to read as set forth in ARTICLE VI of the Restated Articles by adding a paragraph to provide for majority shareholder voting on all matters for which the Texas Business Corporation Act would otherwise specify a higher required percentage.

- 3. These Restated Articles have been effected in conformity with the provisions of the Texas Business Corporation Act and the Corporation's constituent documents, and these Restated Articles and each such amendment made by these Restated Articles were duly adopted and approved by the shareholders of the Corporation as of March 6, 2006.
- 4. The Original Articles are hereby superseded by the following Restated Articles, which accurately copy the entire text thereof as amended as set forth above:

[Reminder of page intentionally left blank]

# AMENDED AND RESTATED ARTICLES OF INCORPORATION OF WHOLE FOODS MARKET, INC. A Texas Corporation

#### **ARTICLE I**

The name of the Corporation is Whole Foods Market, Inc.

#### ARTICLE II

The period of its duration is perpetual.

#### ARTICLE III

The purpose or purposes for which the Corporation is organized are to transact any and all lawful business for which businesses may be incorporated under the Texas Business Corporation Act.

#### ARTICLE IV

- A. The Corporation is authorized to issue two classes of shares of capital stock, designated "Common Stock" and "Preferred Stock," respectively. The aggregate number of shares of Common Stock authorized to be issued is 300,000,000 shares with no par value. The aggregate number of shares of Preferred Stock authorized to be issued is 5,000,000 shares with a par value of \$.01 per share. Shares of the Preferred Stock may be issued from time to time in one or more series, each such series to have such distinctive designation or title as may be fixed by the Board of Directors prior to the issuance of any shares thereof. Each such series shall have such designations, preferences, limitations and relative rights, including voting rights, as shall be stated in the resolution or resolutions providing for the issuance of such series of Preferred Stock, as may be adopted from time to time by the Board of Directors prior to the issuance of any shares thereof, in accordance with the laws of the State of Texas. The Board of Directors, in such resolution or resolutions, may increase or decrease the number of shares within each such series; provided, however, the Board of Directors may not decrease the number of shares within a series to less than the number of shares within such series that are then issued.
- B. No shareholder of the Corporation will, by reason of his holding shares of stock of the Corporation, have any preemptive or preferential rights to purchase or subscribe to any shares of any class of stock of the Corporation, or any notes, debentures, bonds, warrants, options or other securities of the Corporation, whether now or hereafter authorized.

#### ARTICLE V

Cumulative voting in the election of directors is prohibited.

#### ARTICLE VI

Any action required by the Texas Business Corporation Act to be taken at any annual or special meeting of the shareholders, or any action which may be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all shares entitled to vote on the action were present and voted.

If, with respect to any action taken by the shareholders of the corporation, any provision of the Texas Business Corporation Act would, but for this Article VI, require the vote or concurrence of the holders of shares having more than a majority of the votes entitled to be cast thereon, or of any class or series thereof, the vote or concurrence of the holders of shares having only a majority of the votes entitled to be cast thereon, or of any class or series thereof, shall be required with respect to any such action.

#### ARTICLE VII

The Corporation will not commence business until it has received for the issuance of its shares consideration of the value of not less than One Thousand Dollars (\$1,000), consisting of money, labor done, or property actually received.

#### ARTICLE VIII

The address of the Corporation's registered office is 1021 Main Street, Suite 1150, Houston, TX 77002, and the name of its registered agent at such address is CT Corporation System.

#### ARTICLE IX

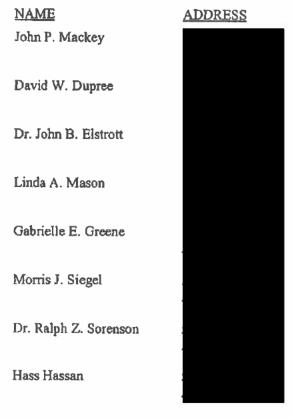
No director of the Corporation shall be liable to the Corporation or its shareholders for an act or omission in such capacity as a director except liability resulting from:

- A breach of the director's duty of loyalty to the Corporation or its shareholders;
- An act or omission not in good faith that involves intentional misconduct or a knowing violation of the law;
- A transaction from which the director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office;

- 4. An act or omission for which the liability of the director is expressly provided for by a statute; or
- An act related to an unlawful stock repurchase or payment of a dividend.

#### ARTICLE X

The number of directors constituting the Board of Directors shall be provided for in the bylaws of the Corporation. The names and addresses of the persons who are now serving as directors of the Corporation are:



ARTICLE XI

The Corporation shall, to the full extent permitted by applicable law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding by reason of the fact that such person is or was an officer or director of the Corporation.

[Signature Page Follows]

#### EXECUTED this 241 day of March, 2006.

WHOLE FOODS MARKET, INC., a Texas corporation

By: Glenda Chamberlain
Executive Vice President

### City of St. Charles ALCOHOL TAX BUSINESS INFORMATION SHEET

As a new business serving or selling alcohol in the City of St. Charles, the following information must be provided to assist with the processing of your monthly Alcohol Tax returns.

**BUSINESS CONTACT INFORMATION** 

Corporate name: WHOLE FOODS MARKET GROUP, INC.

DBA: WHOLE FOODS MARKET

Phone: 737-230-8612 Fax:

E-mail: licensing@wholefoods.com

Address: PO BOX 684786

City: AUSTIN

State: TX

ZIP 78768-4786 Code:

Expected date of business opening (Required): 6/15/2025

TAX PREPARER INFORMATION

Name of Tax Preparer: TODD GLASGOW

Phone: 512-542-0255 Fax: E-mail: salestaxquestions@wholefoods.com

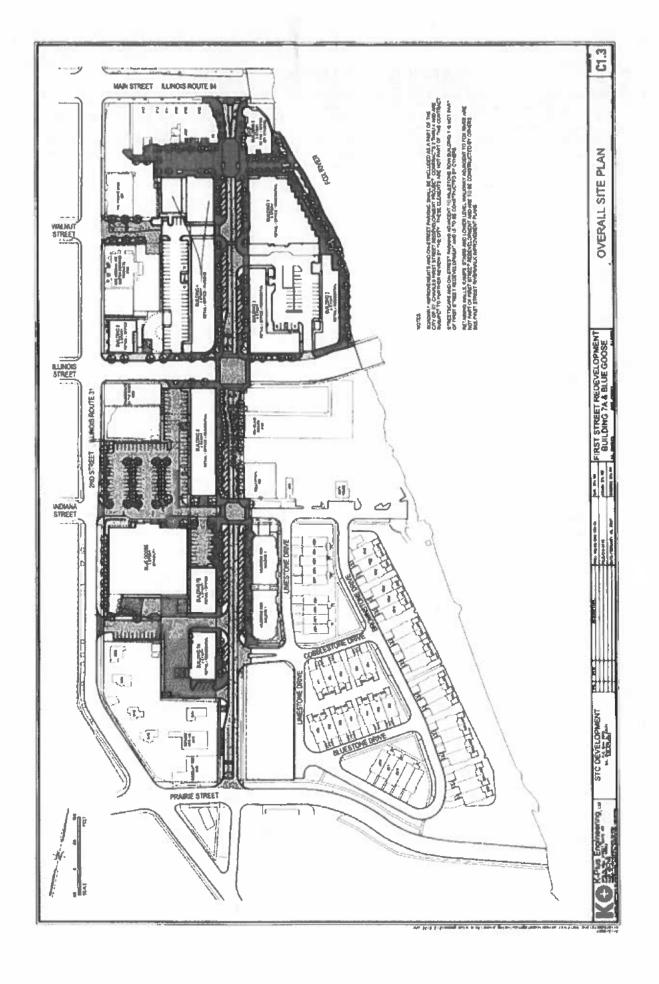
This completed form must be submitted with your liquor license application and "Acknowledgement of City Alcohol Tax" to the City of St. Charles Administration Office.

# ACKNOWLEDGEMENT OF ALCOHOL TAX

By signing below, I acknowledge that I have received the updated information on the City's alcohol tax. I understand that it is my responsibility to collect said tax on any alcohol sales effective immediately. It is also my responsibility to remit said taxes to the City by the due dates specified in the alcohol tax ordinance. I understand that any violation of the alcohol tax ordinance can result in the imposition of fines, penalties, or sanctions including suspension or revocation of the liquor license granted by the City of St. Charles. The tax rate on alcohol sales will be changed to 3% of the purchase price effective September 1, 2018. Please apply the tax at a rate of 3% on all alcohol sales at your establishment beginning on September 1, 2018.

| Title                  | secretary                           |  |
|------------------------|-------------------------------------|--|
| Rusiness               | Name Whole Foods Market Group, Inc. |  |
| Address                | 300 S 2nd St., St. Charles IL 60174 |  |
| NAMES AND DESCRIPTIONS |                                     |  |
|                        |                                     |  |
|                        |                                     |  |
| i                      |                                     |  |
| i                      | 1/24/25<br>Date                     |  |

Please return the signed acknowledgement form to the City of St. Charles Administration Office.





# CERTIFICATE OF LIABILITY INSURANCE

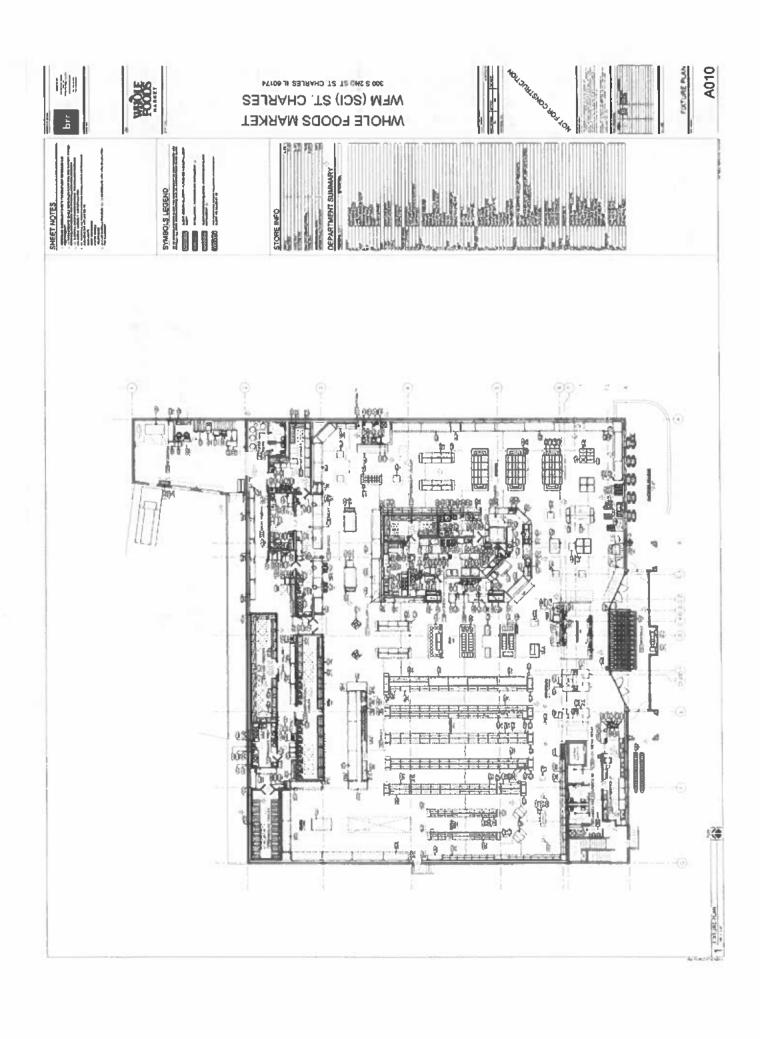
OATE (MM/DO/YYYY) 01/23/2025

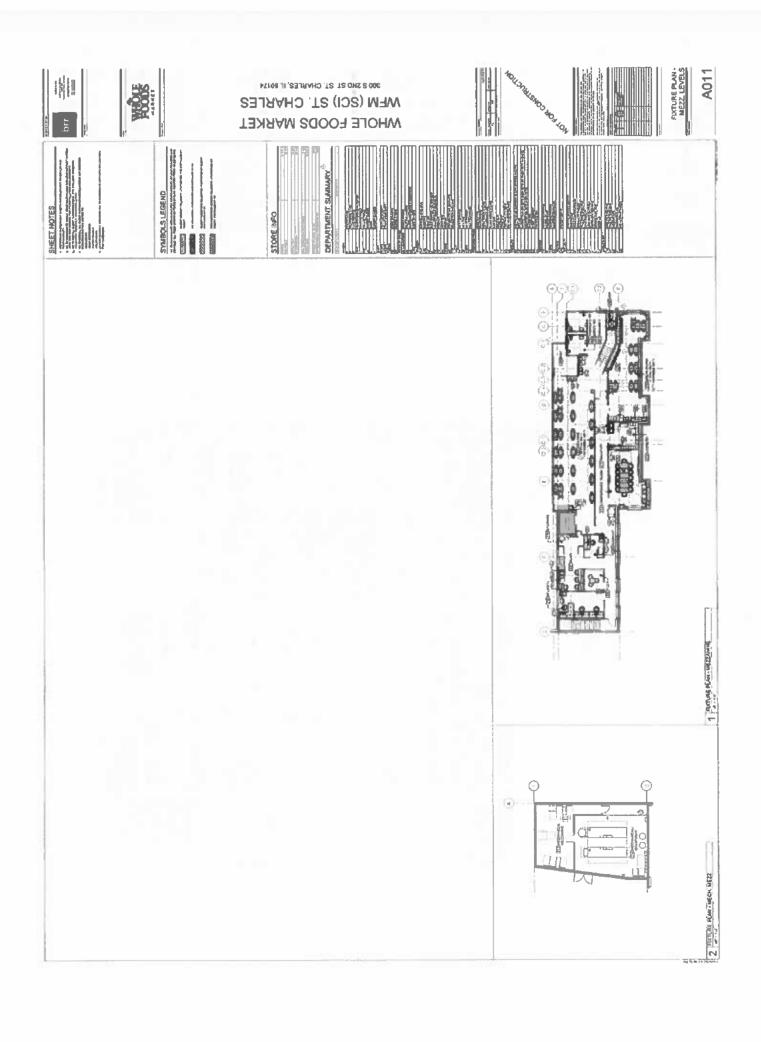
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER. IMPORTANT: If the cartificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s). PRODUCER MARSH USA, LLC. PHONE (A/C. No. Ext): E-MAR. ADDRESS: FAX (A/C, No): Four Embarcadero Center, Suita 1100 San Francisco, CA 94111 Altn: Emmy Lew, Emmy. Lew@marsh.com INSURER(S) AFFORDING COVERAGE NAIC# 10836 16535 CN103030681-WFM-GAWUL-24-25 INSURER A: Zurich American Insurance Company Whole Foods Market Group, Inc N/A INSURER B : N/A N/A d/b/a Whole Foods Market INSURER C : N/A 300 S 2nd St. INSURER D : St. Charles, IL 60174 INSURER E : INSURER F : REVISION NUMBER: **COVERAGES CERTIFICATE NUMBER:** SEA-004073100-01 THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS. EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. POLICY EFF POLICY EXP ADDL SUBR TYPE OF INSURANCE COMPTS POLICY NUMBER INSO WVD X COMMERCIAL GENERAL LIABILITY GLO4020314-01 04/01/2024 04/01/2025 EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) 1.000.000 \*The Combination of SIR and 1,000,000 CLAIMS-MADE X OCCUR s Deductibles complies with the 0 Х SIR 9,000,000 MED EXP (Any one person) 1,000,000 contractually required limit\* X Liquor Liability-\$4M Agg PERSONAL & ADV INJURY 2,000,000 GEN'L AGGREGATE LIMIT APPLIES PER: GENERAL AGGREGATE 2,000,000 PRO-JECT X POLICY PRODUCTS - COMP/OP AGG 8 2.000,000 Liquor Liab - Com. Cause OTHER: COMBINED SINGLE LIMIT (Ea accident) **AUTOMOBILE LIABILITY** ANY AUTO BODILY INJURY (Per person) OWNED AUTOS ONLY SCHEDULED **BODILY INJURY (Per accident** AUTOS NON-OWNED PROPERTY DAMAGE (Per accident) AUTOS ONLY AUTOS ONLY UMBRELLA LIAB **EACH OCCURRENCE** ŝ EXCESS LIAB CLAIMS-MADE AGGREGATE DED RETENTIONS WORKERS COMPENSATION AND EMPLOYERS' LIABILITY STATUTE ANYPROPRIETOR/PARTNER/EXECUTIVÉ OFFICER/MEMBER EXCLUDED? (Mandatory in NH) E.L. EACH ACCIDENT NIA E.L. DISEASE - EA EMPLOYEE If yes, describe under DESCRIPTION OF OPERATIONS below E.L. DISEASE - POLICY LIMIT

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Re: BU #10835 - Whole Foods Market Group, Inc. d/b/a Whole Foods Market - 300 S 2nd St. St. Charles, It. 60174. Liquor is included in General Liability

| CERTIFICATE HOLDER   | CANCELLATION   |
|--|--|
| City of St. Charles<br>2 E. Main Street<br>St. Charles, IL 60174 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. |
|  | AUTHORIZED REPRESENTATIVE  |
|  | Marsh Rish & Insurance Scrotces  |

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Sandy Wegman RECORDER - KANE COUNTY, IL

RECORDED: 6/30/2023 01:42 PM REC FEE: 53.00 RHSPS FEE: 9.00 PAGES: 15

After Recording, Please Return To:

Whole Foods Market Group, Inc.
550 Bowie Street
Austin, Texas 78703
Attention: Associate General Counsel - Real Estate

#### MEMORANDUM OF LEASE

(St. Charles, Illinois)

THIS MEMORANDUM OF LEASE is dated effective as of June 28, 2023 and is made by and between SDGFTU 300 LLC, an Illinois limited liability company ("Landlord"), and WHOLE FOODS MARKET GROUP, INC., a Delaware corporation ("Tenant").

## WITNESSETH.

In consideration of the premises, and of the mutual covenants and agreements set forth in that certain Lease dated as of May 5, 2023 (the "Lease"), by and between Landlord and Tenant, Landlord has leased to Tenant, and Tenant has leased from Landlord, certain real estate and improvements constructed thereon (such real estate and improvements, as modified in accordance with the Lease, located at 300 S. 2nd St., St. Charles, Illinois 60174, the "Store Premises") as shown on the site plan attached hereto as Exhibit A and made a part hereof for all purposes (the "Site Plan"), for a term of twenty (20) Lease Years following the Rent Commencement Date, with options to extend the term for six (6) Extension Terms of five (5) Lease Years each, which term commences in accordance with the provisions of the Lease. The Store Premises is legally described in Exhibit B attached hereto and a part hereof,

- 1. <u>Defined Terms</u>. Capitalized terms used herein and not otherwise defined have the same meanings given to such terms in the Lease.
- 2. Agreements Affecting Store Premises. From and after the date of the Lease, Landlord shall not (a) enter into any new, or (b) terminate or modify in any material respect any existing, easements, reciprocal easement agreements, subdivision plats, declarations, restrictive covenants, agreements or the like affecting or relating to the Demised Premises (including, without limitation, the City Lots Easement Agreement) without Tenant's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. See Section 2.1 of the Lease for details.
  - 3. Parking. Tenant shall have the parking rights set forth in the Lease.

This Memorandum of Lease is executed for the purpose of giving notice of the existence of the Lease and that certain terms thereof encumber the Store Premises. In addition to the above provisions, the Lease includes provisions containing covenants and obligations similar to those

15

commonly found in other leases, including, but not limited to provisions regarding construction of improvements, maintenance and signs. Reference should be made to the Lease (and any amendments thereto that may be entered into) for a full description of the rights and duties of Landlord and Tenant, and this Memorandum of Lease shall in no way affect the terms and conditions of the Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder, and to the extent the Lease and this Memorandum of Lease conflict, the Lease shall control.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed effective from and as of the date first above written.

#### LANDLORD:

#### SDGFTU 300 LLC

By:

ST CHARLES PREMIUM GROCER LLC,

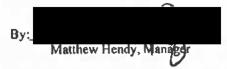
a Delaware limited liability company,

its Manager

By:

SDGFTU ST CHARLES MANAGER LLC,

its Manager



## TENANT:

WHOLE FOODS MARKET GROUP, INC., a Delaware corporation

| By:            |            |           |
|----------------|------------|-----------|
| Paul Hilliard, | Authorized | Signatory |

commonly found in other leases, including, but not limited to provisions regarding construction of improvements, maintenance and signs. Reference should be made to the Lease (and any amendments thereto that may be entered into) for a full description of the rights and duties of Landlord and Tenant, and this Memorandum of Lease shall in no way affect the terms and conditions of the Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder, and to the extent the Lease and this Memorandum of Lease conflict, the Lease shall control.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed effective from and as of the date first above written.

## LANDLORD:

#### SDGFTU 300 LLC

By: ST CHARLES PREMIUM GROCER LLC, a Delaware limited liability company, its Manager

By: SDGFTU ST CHARLES MANAGER LLC, its Manager

By:\_\_\_\_\_\_ Matthew Hendy, Manager

#### TENANT:

| <u> </u>                            |                             |
|-------------------------------------|-----------------------------|
| WHOLE FOODS MARKET GROUP, I         | NC., a Delaware corporation |
| By:                                 |                             |
| Paul Hilliard, Authorized Signatory | N                           |

|   | ·  |
|---|--|
|   | Notary Public  |
| Given under my ha   | d and seal of office this day of June, 2023.   |
| Hilliard, known to me and MARKET GROUP, INC. foregoing Memorandum of  | signed, a Notary Public in and for said State, personally appeared Paul known by me to be the Authorized Signatory of WHOLE FOODS a Delaware corporation, and acknowledged the execution of the Lease for and on behalf of said corporation.   |
| COUNTY OF TRAVIS  | )  |
| STATE OF TEXAS  | )<br>) ss.   |
| PAUL. G. F<br>OFFICIAL S<br>Notary Public - St<br>My Commission Expir   | My Commission Expires: WF   W  |
| GIVEN under my h  | nd and notarial seal this day of June, 2023.   |
| DOES HEREBY CERTIF<br>MANAGER LLC, an Illi<br>PREMIUM GROCER LLC<br>LLC, an Illinois limited liab<br>whose name is subscribed to<br>day in person and acknowled | that the Manager SDGFTU ST CHARLES ois limited liability company, the Manager of ST CHARLES a Delaware limited liability company, the Manager of SDGFTU 300 lity company, who is personally known to me to be the same person the foregoing instrument as such Manager, appeared before me this leed that he signed and delivered the said instrument as his own free free and voluntary act of said limited liability company, for the uses |
| The undersign   | ed, a Notary Rublic, in and for the said County, in the State aforesaid,   |
| COUNTY OF COOK  | ) SS.<br>)   |
|   | 00   |

| STATE OF ILLINOIS ) ) SS.  |  |
|--|--|
| COUNTY OF COOK )   |  |
| ,  |  |
| DOES HEREBY CERTIFY that MANAGER LLC, an Illinois limited lia PREMIUM GROCER LLC, a Delaware limi LLC, an Illinois limited liability company, w whose name is subscribed to the foregoing it day in person and acknowledged that he sign | blic in and for the said County, in the State aforesaid, the Manager SDGFTU ST CHARLES bility company, the Manager of ST CHARLES ited liability company, the Manager of SDGFTU 300 who is personally known to me to be the same person instrument as such Manager, appeared before me this med and delivered the said instrument as his own free ary act of said limited liability company, for the uses |
| GIVEN under my hand and notarial a   | seal this day of June, 2023.   |
|  |  |
|  | Notary Public  |
|  | My Commission Expires:   |
|  |  |
|  |  |
| STATE OF TEXAS )   | HELEN HARGROVE   |
| COUNTY OF TRAVIS ) ss  | Notary ID #133907575 My Commission Expires August 12, 2026   |
| Hilliard, known to me and known by me t  | Public in and for said State, personally appeared Paul to be the Authorized Signatory of WHOLE FOODS or poration, and acknowledged the execution of the a behalf of said corporation.  |
| Given under my hand and seal of off  | " " 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  |
| Given under my nand and seal of off  | day of June, 2023.   |
| Given under my nand and seal of off  | day of June, 2023.   |
| Given under my nand and seal of off  | Notary Public  |
| My commission expires:   |  |

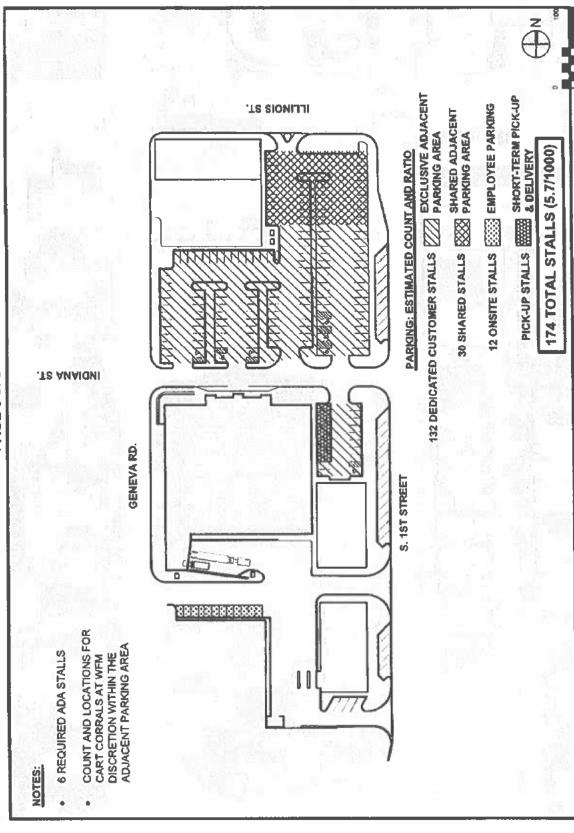
# Exhibit A Site Plan

{See Attached eight (8) pages}

APRIL 26, 2023 FREESTANDING SIGN CITY-OWNED PARKING LOT ILE SIONILLI MODO NAP STORE PREMISES **EXHIBIT A** TE ANAIGNI PAGE 2 of 8 GENEVA RD. 2917 S. 1ST STREET NAP **051∓** BUILDING ±30,505 SF **EMPLOYEE PARKING** 

# **EXHIBIT A**

PAGE 5 of 8



APRIL 26, 2023 Ž \$--\$5. \$ 2222 FRONT MEZZANINE ±4,000 SF PAGE 8 of 8 PREMISES INTERIOR:

MEZZANINE ESTIMATED

LOCATIONS

D = DOOR LOCATIONS

"AS-IS" 222 EXISTING TO -۵ REAR MEZZANINE ±1,260 SF

**EXHIBIT A** 

#### Exhibit B

## Legal Description of Store Premises

#### PARCEL 1:

LOT 5 OF THE FIRST STREET REDEVELOPMENT SUBDIVISION OF PART OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 27 AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 34, TOWNSHIP 40 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN KANE COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SUBDIVISION RECORDED WITH THE KANE COUNTY RECORDER OF DEEDS ON MARCH 29, 2007 AS DOCUMENT NO. 2007K035551, INCLUDING ALL OF THE PORTION OF INDIANA STREET VACATED BY ORDINANCE NO. 2006-M-72 RECORDED DECEMBER 13, 2006 AS DOCUMENT 2006K 134903 SHOWN LYING WITHIN LOT 5 ON SAID PLAT.

#### PARCEL 2:

LOT 9 IN FIRST STREET REDEVELOPMENT SUBDIVISION, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS, ACCORDING TO THE PLAT THERE RECORDED MARCH 29, 2007 AS DOCUMENT NUMBER 2007K035551.

#### PROPERTY ADDRESS OF REAL ESTATE:

300 SOUTH 2<sup>ND</sup> STREET ST. CHARLES, ILLINOIS 60174

# **PERMANENT TAX INDEX NUMBER[S]:**

09-34-128-012-0000

09-34-132-016-0000

09-34-132-017-0000

09-34-132-018-0000

| 8 |  |  |
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