

#### **Attachments** (please list):

Summary, Memo, Floor Plan, Liquor License Application, Lease, Quote for insurance

#### **Recommendation/Suggested Action** (briefly explain):

Recommendation to approve a Proposal for a New A5 Liquor License Application for 100 Grapes, LLC Located at 106 E. Main Street, St. Charles.

## Police Department

# Memo



Date: 11/13/2018

To: The Honorable Ray Rogina, Mayor-Liquor Commissioner

From: James Keegan, Chief of Police

Re: Background Investigation-Liquor Establishment/A-5 (100 Grapes/106 E. Main Street)

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.

100 Grapes is looking to occupy a vacant store front next to Crazy Fox and across from the Arcada Theater. This is a new business venture looking to capitalize on the growing wine industry and is similar in concept to The Wine Exchange. It has a quant appearance and the owners are looking to also use the back atrium as additional seating. A Chapter 34 inspection was conducted by both Community/Economic Development and the Fire Department on October 30<sup>th</sup>.

A detective was assigned this investigation and reviewed both the site location/floor plans and the corresponding application material. Although we found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with on-site consumption, the business plan submitted by the applicant does require a slight modification to our existing liquor code.

Thank you in advance for your consideration in this matter.

### Police Department

# Memo



Date: 11/12/18

To: Chief Keegan

From: Commander Pierce

Re: Liquor License Background, 100 Grapes 106 E. Main Street.

The purpose of this memo is to outline steps taken during the background investigation for a liquor license application. This investigation was done based on the application submitted by, 100 Grapes LLC d/b/a, 100 Grapes, for a Class A-5 liquor license. This business is to be located at 106 E. Main Street.

#### **Applicants:**

Hebein, Corey D.

Hebein, Laura L.





#### **Application:**

The application was received on or around 11/02/18. The application appears to be complete, including a floor plan and detailed business plan.

There is an attached lease that has not been signed yet. The Hebein's advised they do not wish to sign a lease until they obtain a liquor license. A quote for Illinois Liquor Liability insurance was also included, but has yet to be purchased for the same reason as the lease. Corey holds a valid BASSET Certification and a copy has been provided with the application. Laura does not hold a BASSET Certification, but will be attending a class on December 18, 2018.

#### **Records Checks:**

Both Corey and Laura have been fingerprinted. A response from the FBI shows Laura has no criminal history. The State has not responded in reference to Laura yet. A response from the State for Corey showed no arrests. The FBI has yet to return a response for Corey.

A check of St. Charles and Kane County records showed no police contacts of concern for either Corey or Laura.

A check of the Illinois Liquor Control Commission showed no current license and no record of license revocation.

A check of TLO and I-Clear (law enforcement databases) showed the information concerning Corey and Laura's identity to be accurate and no areas of concern were noted.

A check of the Illinois Secretary of State website shows 100 Grapes LLC to currently be in good standing.

#### SITE VISIT:

The business will be located in the old Antique store in between Crazy Fox Bar and El Puente restaurant. I did not conduct a site survey as there has been no lease signed. I did however call and speak to the management company, Coleman land. Mr. Coleman said he has run a background and credit check on Corey and Laura and is willing to sign a lease with them as soon as they would like.

#### **INTERVIEW WITH APPLICANT:**

On 11/07/18 at approximately 8:00am, I met with Corey and Laura at the police department front desk. Corey and Laura advised they plan on opening 100 Grapes at 106 E. Main Street. Corey and Laura have teamed up with a Michigan Winery who has agreed to make a private label wine for them. Corey and Laura plan on 100 Grapes being a tasting room mostly, with seating for people who would like to purchase a glass or bottle and hang out. Their hours of operation will be Sunday through Thursday 11am to 7pm and Saturday and Sunday 11am to 8pm. Corey will be the onsite manager and they plan on having one employee to start with. The liquor application indicates the liquor inventory will be approximately \$20,000.00. Both Corey and Laura are U.S. citizens and have lived in Carol Stream, Illinois for the past 12 years. They have never held a liquor license before.

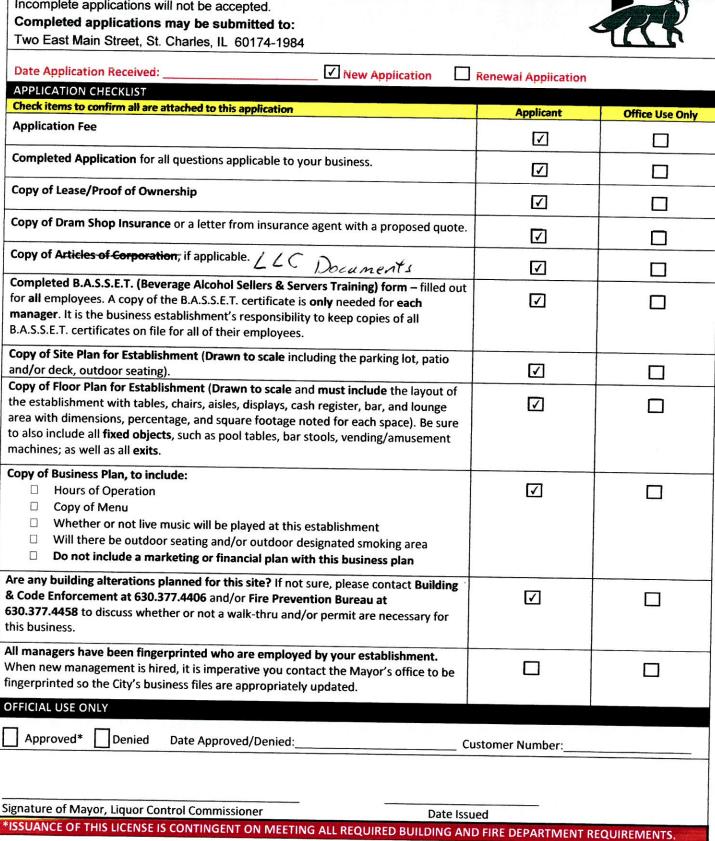
This concludes this background investigation. Recommend approval.

CP

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

#### APPLICATION FEE IS NON-REFUNDABLE

Incomplete applications will not be accepted.



APPLICANT INFORMATION							
A. Type of Business: Individual Partnership Corporation Other (explain): LLC  B. Business Name: 100 Grapes, LLC  C. Business Address:							
Minimax	Ammuec						
D. IL Tax ID	Number:	E. Business Pho	one:	F. Business E-mail:		G. Bu	usiness Website:
H. Contact	Person:	1	-	I. Title:	I. Title: J. Phone No.:		one No :
Corev	<b>Hebei</b>	in		Owner/Manager		6	one No
	ation, Corpor			OWIIC	iriviariagei		
L. Corporat	ion Address (	city, state, zip code):					
BUSINESS	ESTABLISH	MENT LOCATION IN	IFORMATI	ON			
A. Type of E	Establishmen	t: Package Res	taurant	Tavern	  Hotel/Banquet/Arcada	/O-Cer	nter Other
street addre	ess): in St, St. C	iquor license (exact	C. Numbe Parking Sp N/A	r of	D. Outside Dining s.f. [17.20.020-R]:		E. Holding Bar s.f. [5.08.010-F]:
F. Total Buil <b>2,126</b>	ding s.f.:	G. Total Number of Seats: 32	H. Numbe Seats: 0	r of Bar	I. Sale Counter s.f.:		J. Live Entertainment Area s.f. [5.08.010-н]: N/A
K. Kitchen s.f.:	L. Cooler s.f.:	M. Dry Storage	N. Seating	Area s.f.:	O. Retail/public Area s		P. Service Bar s.f. [5.08.010-0]:
	N/A	s.f.: 1,220	1,327		1,706		V/A
Wine Tas	Q. Brief Business Plan description based on type of establishment listed above: Wine Tasting Room: Selling of Bottles, Glasses, Flights, and Tastings (of wine only).  MANAGER INFORMATION						
Full Name, ii	nclude middl	<sub>e initial:</sub> Corey D	Hebein		Title: Own	er/M	anager
Birthdate		lace: IL		s Licenses		ome Pl	none
Home Addre	ess:						
Full Name, include middle initial: Laura L Hebein					Title: Own	er/Ma	anager
Birthdate:	(2)	lace: IL	Driver's	s License		ne Ph	one:
Home Address:							
Full Name, in	Full Name, include middle initial:  Title:						
Birthdate:	Birthpl	lace:	Driver's	License#:	Hoi	me Pho	one:
Home Addres	ss:						

#### PROPOSED FLOOR PLAN/LAYOUT OF PROPERTY

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

#### **CLASS B LICENSES**

- Every application for a Class B license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale showing the following (check off once complete):
  - a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;
  - 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 Class B licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing.

#### **CLASS C LICENSES**

- Every application for a Class C license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale, showing the following (check off once complete):
  - 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 (e.g. 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 Commissioner. The Local Liquor Commissioner may
  impose such restrictions as he deems appropriate on any licensee 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 Class C 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.

CO	RPORATION / PREMISES QUESTIONS					
	If applicant is an individual or partnership, is each and every person a United States citizen (5.08.070-2)? Yes No					
	Is any individual a naturalized citizen? Yes No					
1.	If yes, print name(s), date(s), and place(s) of naturalization:					
2.	List the type of business of the applicant (5.08.070-3): Wine Tasting Room: Selling of Bottles, Glasses, Flights, and Tastings (of wine only)					
3.	Number of years of experience for the above listed type of business (5.08.070-4): 5+ years in hospitality industry					
4.	Amount of merchandise that normally will be in inventory when in operation (5.08.070-5): \$ 20,000.00					
5.	Location/address and description of business to be operated under this applied for license (5.08.070-6):					
	106 E Main St, St. Charles, IL 60174					
	Wine Tasting Room: Selling of Bottles, Glasses, Flights, and Tastings (of wine only)					
6.	Is the premises owned or leased (5.08.070-6A)? Owned V Leased					
7.	If the premises are leased, list the names and addresses of all direct owners or owners of beneficial interests in any trusts, if premises are held in trust (5.08.070-6B):					
	Name of Building Owner: Tran Investment LLC (Jimmy Tran)					
	Address of Building Owner: 37W201 RED GATE RD, ST.CHARLES, IL 60175					
	Mailing Address of Building Owner (if different):					
	Phone Number: E-mail Address:					
	Name of Building Owner:					
	Address of Building Owner:					
	Mailing Address of Building Owner (if different):					
	Phone Number: E-mail Address:					
	Name of Building Owner:					
	Address of Building Owner:					
	Mailing Address of Building Owner (if different):					
	Phone Number: E-mail Address:					
8.	Does the applicant currently operate, or operated in the past, any other establishment within the City of St. Charles that					
	requires a liquor license? Yes No					
	If yes, please list the business name(s) and address(es):					

9.	Does applicant have any outstanding debt with the City of St. Charles, including, but not limited to, utility bills, alcohol tax,
	and permit fees, for any current or previous establishment owned, operated or managed by the applicant? Yes Vo
	If yes, please note the City of St. Charles requires all debt to be paid in full before consideration of a new or renewed liquor license is issued.
	Are any improvements planned for the building and/or site that will require a building permit?
10.	If yes, has a building permit been applied for?
	If yes, date building permit was applied for with Building & Code Enforcement:
11.	Has applicant applied for a similar or other license on the premises other than the one for which this license is sought
	(5.08.070-7)?
	If yes, what was the disposition of the application? Explain as necessary:
12.	Has applicant (and all persons listed on page 1 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)?
	Tes No
	Is applicant (and all persons listed on page 1 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 Vo
13.	List previous liquor licenses issued by any State Government or any subdivision thereof (5.08.070-9). Use additional paper if necessary.
	Government Unit:
	Date: Location, City/State:
	Special Explanations:
	Government Unit:
	Date: Location, City/State:
	Special Explanations:
	Have any liquor licenses possessed ever been revoked (5.08.070-9)? Yes V No
14.	If yes, list all reasons on a separate, signed letter accompanying this application.
	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.

15.	Complete ONLY if yes was answered to the questions above (14):
	Name of Business.
	Position with the Business:
	Date(s) of Denial:
	Reason(s) for Denial of License:
16.	Date of Incorporation (Illinois Corporations) (5.08.070-10): 9/17/2018
	Date qualified under Illinois Business Corporation Act to transact business in Illinois (Foreign Corporation):
17.	Has the applicant and all designated managers read and do they all understand and agree not to violate any liquor 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?
	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?   Yes  No
	Have you ever been convicted of a gambling offense?
	Will you and all your employees refuse to serve or sell alcoholic liquor to an intoxicated person or to a minor?
200	☑ Yes ☐ No
18.	Mandatory: All individual owners, partners, officers, directors, and/or persons holding directly or beneficially more than five (5) percent in interest of the stock of owners by interest listed on page 1 of this application must be fingerprinted by the City of St. Charles Police Department (5.08.070-A12).
	Has this been done?
	If yes, date(s):
19.	Mandatory: Has the applicant attached proof of Dram Shop Insurance to this application or already furnished it to the City of
	St. Charles (5.08.060)?
	If already furnished, date of delivery: Quote of Insurance Attached
	NOTE: Insurance must be issued from May 1, 20XX – April 30, 20XX in accordance with City code 5.08.060. Request a prorated rate from your insurance company if you are applying for a new license during this timeframe.

20.	Mandatory: Is the premises within 100 feet of any real property of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands, or children; and/or any military or naval station (5.08.230)?  Yes Vo	_
COM	MENTS/ADDITIONAL INFORMATION	
		l
		or Comments

clerks who are permitted to m applicable. Add another page	iake alcoholic liquor sales. In	on this page – inc clude copies of ce	lude all managers, a rtificates for manag	ssistant managers, bartenders gers only and mark Manager if	, and f				
Name: Corey	Hebein	D	Territoria de la constantida del constantida de la constantida del constantida de la constantida de la constantida de la constantida del constantida de la constantida de la constantida de la constantida del constan	Owner/Manager					
(First)	(Last)		(Middle)	Manager					
Home Street Address									
City, State, Zip: Carol Strea	City, State, Zip: Carol Stream, IL 60188								
Date of Course: 10/16/2018	Place Cours	e was Taken: Ca	rol Stream						
Birthdate:	Certificate Granted: 5A-0048785		Expiration: 10/16/2021						
Name: (First)	(Last)		(Middle)	Managar					
	(2000)		(Midule)	Manager					
Home Street Address:									
City, State, Zip:									
Date of Course:	Place Course	e was Taken:							
Birthdate:	Certificate Granted:		Expiration:						
Name: (First)	(Last)		(Middle)	Manager					
Home Street Address:	•		····						
City, State, Zip:									
Date of Course:	Place Course	was Taken:							
Birthdate:	Certificate Granted:		Expiration	on:					
Name:									
(First)	(Last)		(Middle)	Manager					
Home Street Address:									
City, State, Zip:									
Date of Course:	Place Course was Taken:								
Birthdate:	Certificate Granted:		Expiration	on:					

#### NEW MANAGEMENT REQUIREMENTS

Whenever a new manager comes on board, the City must be notified and that person must be fingerprinted.

It is the business establishment's responsibility to keep copies of all B.A.S.S.E.T. certificates on file for their employees.

APPLICATION FOR LATE NIGHT PERMIT	
SUPPLEMENTAL TO LIQUOR LICENSE FOR CLASS B/C	
To: St. Charles Liquor Control Commission	Date:
I now possess or have applied for a liquor license Class	
Applicant's Name:	
Name of Business:	
Business Address:	
Business Phone:	
SUPPLEMENTAL PERMIT APPLIED FOR	
Payment of Late Night Permit fee is required at the time the	permit is issued.
1:00 a.m. Late Night Permit – fee of \$800.00  2:00 a.m. Late Night Permit – fee of \$2,300.00	
NOTE: Other permits that may be available upon request inclu  Class E – Special Event License (1 to 3-day event @ \$  Outdoor Dining Permit (Contact Community & Econo SIGNATURES	5100.00 per day)
Applicant's Signature  Liquor Commissioner hereby directs City Clerk to issu	ue permit indicated above.
Liquor Commissioner's Signature	Date

ADDENDUM TO RETAIL LIQUOR LICENSE APPLICATION				
To be completed by the City of St. Charles Police Department				
Date: Name of Applicant:				
11/17/18 COREY AND LAURA HEBERN				
Name of Business:				
100 GRAPES				
Address of Business: Ward Number:				
Address of Business: Ward Number:				
To Liquor Control Commissioner, City of St. Charles, Illinois				
Pursuant to the provision of the City of St. Charles Municipal Code, Chapter 5.08, Alcoholic Beverages, the following guide shall be	in			
effect 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: Jay 2019 on AFTEN	_			
2. Is the location within 100 feet of any church; school; hospital; home for the aged or indigent persons; home for veterans, th				
	CII			
wives/husbands or children; or any military or naval station?  Yes No				
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? <b>Yes No</b>				
If yes, answer a, b and c:				
a. State the kind of such business:				
b. Give date on which applicant began the kind of business named at this location:				
c. Has the kind of business designated been established at this location for such purpose prior to February 1, 1934,				
and carried on continuously since such time by either the applicant or any other person?				
Yes No				
4. If premises for which an alcoholic liquor license is herein applied for are within 100 feet of a church, have such premises bee	n			
licensed for the sale of alcoholic liquor at retail prior to the establishment of such church?				
incensed for the safe of destroite inqual 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				
alcoholic liquor license was issued therefore? Yes No				
acononic liquor license was issued therefore:				
5. Is the place for which the alcoholic liquor license is sought a dwelling house, flat, or apartment used for residential purposes	?			
∏Yes MNo				
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 suc				
other portion of building or structure as is used only by the applicant, his/her family and personal guests not prohibited.)				
□Yes ☑No				
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:				

8.	Are all rooms where liquor will be sold for consumption on the premises continuously lighted during business hours by natural
	light or artificial white light so that all parts of the interior shall be clearly visible? Yes No
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.? Yes No
10.	Are the premises for which license is herein applied for a store or place of business where the majority of customers are
	himors of school age of where the principal business transacted consists of school books, school supplies, food or drinks for
	such minors? Yes No
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: Yes No
12.	From your observation and investigation, has applicant—to the best of your knowledge—truthfully answered all questions?
	Yes No
	If no, state exceptions:
	Have all persons named in this application been fingerprinted? Yes No
13.	Have all persons named in this application been fingerprinted? Yes No  Fingerprinted by: Subject Subje
	Fingerprinted by: Date: 1-07.18
14.	Other necessary data:
SIGN	ATURES
ENDO	DRSEMENTS AND APPROVALS
NVE:	STIGATING OFFICER
	323 Commander
	Investigating Officer Signature Badge Number & Rank
NDO	PRSEMENT OF THE CHIEF OF POLICE
lecom	mend Issuing Liquor License: Yes No
	Signature Of Chief of Police Date

This is a Sample Lease-Not Final - Pending Approval from St. Charles

#### COMMERCIAL BUILDING LEASE

Date of Lease November	2018	Beginning *November 1, 2018	rly Possession period) : February 1, 2019 anuary 31, 2022 erms tion Terms &	Monthly Rent Installment: (Modified Gross Lease) Initial Term Annual Monthly Installments Feb. 1, 2019 - Jan. 31, 2020= \$3,189.00 Feb. 1, 2020 - Jan. 31, 2021= \$3,285.00 Feb. 1, 2021 - Jan. 31, 2022= \$3,384.00 (includes pro-rata Taxes, Insurance and CAM @ current Expense Stop) See paragraph 24 herein & attached Exhibit "A" Rent Schedule.
<b>Location of Pren</b> +/- 2,126 SF Store		Main Street, St. C	Charles, IL 60174 (1s	et Floor)
Purpose: Operation of (pl	ease supply)	:		

LESSEE (Tenants): 100 Grapes, LLC Phone#	LESSOR(Landlord): TRAN INVESTMENT LLC 37W201 RED GATE RD ST.CHARLES, IL 60175	Rent Payable To: Jimmy Tran OR AUTHORIZED AGENTS
GUARANTOR: Corey and Laura Hebein		

In consideration of the mutual covenants and agreements herein stated, Lessor hereby leases to Lessee and Lessee hereby leases from Lessor solely for the above purpose the premises designated above (the "Premises"), together with the appurtenances thereto, for the above Term.

#### **RENT AND INITIAL DEPOSIT:**

1. Lessee shall pay Lessor's agent as rent for the Premises the sum stated herein and in the attached Exhibit "A", or otherwise as notified by Lessor or its agents, upon just calculation of any given periods total monthly rental installment, monthly in advance for each month of annual lease period, until termination of this lease, at the address stated above or such other address as Lessor's agent **Jimmy Tran** may designate in writing. It is agreed and accepted that Jimmy Tran, as Manager of Lessor is a true agent in fact for the Lessor and is authorized to bind the Lessor under the lease and accept rent from Lessee.

The total annual rent, made up of each year's base rent and including any additional rent for Common Area Maintenance, Insurance and Property Taxes as calculated by Lessor, shall be paid in equal monthly installments, each without any set-off or deduction whatsoever, in advance on the first day of each and every calendar month during the Term, and prorated for fractions of a month if the Term shall commence on any day other than the first day of any month or be terminated on any day other than the last day of any month. Lessee shall pay the security deposit at the time of execution of this Lease, and

the first full monthly installment of total Rent due after the period of abatement on February 1, 2019. Rent shall be deemed late if any installment is not received by Lessor by the tenth (10th) day of the month. A late fee of an additional 5% of that month's total rent due will be assessed and included as additional Rent, plus any amounts owed by Lessee for greater than 30 days shall also bear interest from the due date until paid at the lesser of (i) four percent (4%) per annum plus the then current prime rate of interest, or (ii) the maximum rate permitted by law, from the date due until paid.

The first installment of the first year's total monthly rent of \$3,189.00 and the Security Deposit of \$3,189.00 for Total of \$6,378.00 shall be deposited with Lessor upon signing.

#### POSSESSION:

2. Lessor shall deliver possession of the premises no later than November 1, 2018. Per the terms of paragraph 24 C of this lease, Lessor has agreed to abate or forgive the collection of rent from Lessee for the first 3 months of the lease – with rent commencement date to be February 1, 2019.

#### CONDITION AND UPKEEP OF PREMISES: "AS IS CONDITION"

3. Lessee has examined and knows the condition of the Premises and has received the same in "AS IS CONDITION", and acknowledges that no representations as to the condition and repair thereof have been made by Lessor, or his agent, prior to or at the execution of this lease that are not herein expressed; Lessee will keep the Premises including all appurtenances, in good repair, replacing all broken glass with glass of the same size and quality as that broken, and will replace all damaged plumbing fixtures with others of equal quality, and will keep the Premises, including adjoining alleys, in a clean and healthful condition according to the applicable municipal ordinances and the direction of the proper public officers during the term of this lease at Lessee's expense, and will without injury to the roof, remove all snow and ice from the same when necessary, and will remove the snow and ice from the sidewalk abutting the Premises; and upon the termination of this lease, in any way, will yield up the Premises to Lessor, in good condition and repair, ordinary wear excepted, and will deliver the keys therefore at the place of payment of said rent.

#### LESSEE NOT TO MISUSE; SUBLET; ASSIGNMENT:

4. Lessee will not allow the Premises to be used for any purpose that will increase the rate of insurance thereon, nor for any purpose other than that hereinbefore specified, and will not load floors with machinery or goods beyond the floor load rating prescribed by applicable municipal ordinances, and will not allow the Premises to be occupied in whole, or in part, by any other person, and will not sublet the same or any part thereof, nor assign this lease without in each case the written consent of the Lessor first had, and Lessee will not permit any transfer by operation of law of the interest in the Premises acquired through this lease, and will not permit the Premises to be used for any unlawful purpose, or for any purpose that will injure the reputation of the building or increase the fire hazard of the building, or disturb the tenants or the neighborhood, and will not permit the same to remain vacant or unoccupied for more than ten consecutive days; and will not allow any signs, cards or placards to be posted, or placed thereon, nor permit any additions to the Premises shall remain for the benefit of Lessor unless otherwise provided in the consent aforesaid.

#### **MECHANIC'S LIEN:**

5. Lessee will not permit any mechanic's lien or liens to be placed upon the Premises or any building or improvement thereon during the term hereof, and in case of the filing of such lien Lessee will promptly pay same. If default in payment thereof shall continue for thirty (30) days after written notice thereof from Lessor to the Lessee, the Lessor shall have the right and privilege at Lessor's option of paying the same or any portion thereof without inquiry as to the validity thereof, and any amounts so paid, including expenses and interest, shall be so much additional indebtedness hereunder due from Lessee to Lessor and shall be repaid to Lessor immediately on rendition of bill therefore.

#### **INDEMNITY FOR ACCIDENTS:**

6. Lessee covenants and agrees that he will protect and save and keep the Lessor forever harmless and indemnified against and from any penalty or damages or charges imposed for any violation of any laws or ordinances, whether occasioned by the neglect of Lessee or those holding under Lessee, and that Lessee will at all times protect, indemnify and save and keep harmless the Lessor against and from any and all loss, cost, damage or expense, arising out of or from any accident or other occurrence on or about the Premises, causing injury to any person or property whomsoever or whatsoever and will protect, indemnify and save and keep harmless the Lessor against and from any and all claims and against and from any and all loss, cost, damage or expense arising out of any failure of Lessee in any respect to comply with and perform all the requirements and provisions hereof.

#### **NON-LIABILITY OF LESSOR:**

7. Except as provided by Illinois law, Lessor shall not be liable for any damage occasioned by failure to keep the Premises in repair, nor for any damage done or occasioned by or from plumbing, gas, water, sprinkler, steam or other pipes or sewerage or the bursting, leaking or running of any pipes, tank or plumbing fixtures, in, above, upon or about Premises or any building or improvement thereon nor for any damage occasioned by water, snow or ice being upon or coming through the roof, skylights, trap door or otherwise, nor for any damages arising from acts or neglect of any owners or occupants of adjacent or contiguous property.

#### WATER, GAS AND ELECTRIC CHARGES:

8. Lessee will pay, in addition to the rent above specified, all utility bills, including water, gas and electric light and power bills taxed, levied or charged on the Premises, for and during the time for which this lease is granted, and in case said water rents and bills for gas, electric light and power shall not be paid when due, Lessor shall have the right to pay the same, which amounts so paid, together with any sums paid by Lessor to keep the Premises in a clean and healthy condition, as above specified, are declared to be so much additional rent and payable with the installation of rent next due thereafter.

#### PREMISES IN REPAIR:

9. Lessor shall not be obliged to incur any expense for repairing any improvements upon said demised premises or connected therewith, and the Lessee at his own expense will keep all improvements in good repair as well as in a good tenantable and wholesome condition, and will comply with all local or general regulations, laws and ordinances applicable thereto, as well as lawful requirements of all competent authorities in that behalf, Lessee will, as far as possible, keep said improvements from deterioration due to ordinary wear and from falling temporarily out of repair. If Lessee does not make

repairs as required hereunder promptly and adequately, Lessor may, but need not make such repairs and pay the costs thereof, and such costs shall be so much additional rent immediately due from and payable by Lessee to Lessor.

#### **ACCESS TO PREMISES:**

10. Lessee will allow Lessor free access to the Premises for the purpose of examining or exhibiting the same, or to make any needful repairs, or alterations thereof which Lessor may see fit to make and will allow to have placed upon the Premises at all times notice of "For Sale" and "To Rent", and will not interfere with the same.

#### ABANDONMENT AND RE-LETTING:

11. If Lessee shall abandon or vacate the Premises, or if Lessee's right to occupy the Premises be terminated by Lessor by reason of Lessee's breach of any of the covenants herein, the same may be relet by Lessor for such rent and upon such terms as Lessor may deem fit, subject to Illinois statute; and if a sufficient sum shall not thus be realized monthly, after paying the expenses of such re-letting and collecting to satisfy the rent hereby reserved, Lessee agrees to satisfy and pay all deficiency monthly during the remaining period of this lease. Lessee agrees and understands that abandonment will be inferred if Lessee, for any reason, fails to occupy the premises and operate his business therein for any period greater than 30 days, without the advance express written consent of Lessor.

#### **HOLDING OVER:**

12. Lessee will, at the termination of this lease by lapse of time or otherwise, yield up immediate possession to Lessor, and failing so to do, will pay as liquidated damages, for the whole time such possession is withheld, the sum of Two Hundred and Fifty Dollars (\$250.00) per day plus then current CAM charges; but the provisions of this clause shall not be held as a waiver by Lessor of any right of reentry as hereinafter set forth; nor shall the receipt of said rent or any part thereof, or any other act in apparent affirmance of tenancy, operate as a waiver of the right to forfeit this lease and at the term hereby granted for the period still unexpired, for a breach of any of the covenants herein.

#### **EXTRA FIRE HAZARD:**

13. There shall not be allowed, kept, or used on the Premises any inflammable or explosive liquids or materials save such as may be necessary for use in the business of the Lessee, and in such case, any such substances shall be delivered and stored in amount, and used, in accordance with the rules of the applicable Board of Underwriters and statutes and ordinances now or hereafter in force.

#### **DEFAULT BY LESSEE:**

14. If default be made in the payment of rent, including all or any part of the common area expenses (CAM), taxes insurance which may be assessed to the extent increased from the initial amounts as further defined herein, or in the payment of any part of or any increase in the security deposit or any part thereof, or in any of the covenants herein contained to be kept by the Lessee, Lessor may at any time thereafter at his election declare said term ended and reenter the Premises or any part thereof, with or (to the extent permitted by law) without notice or process of law, and remove Lessee or any persons occupying the same, without prejudice to any remedies which might otherwise be used for arrears of rent, and Lessor shall have at all times the right to distrain for rent due, and shall have a valid and first

lien upon all personal property which Lessee now owns, or may hereafter acquire or have an interest in, which is by law subject to such distraint, as security for payment of the rent herein reserved.

#### NO RENT DEDUCTION OR SET OFF:

15. Lessee's covenant to pay rent is and shall be independent of each and every other covenant of this lease. Lessee agrees that any claim by Lessee against Lessor shall not be deducted from rent nor set off against any claim for rent in any action.

#### RENT AFTER NOTICE OF SUIT:

16. It is further agreed, by the parties hereto, that after the service of notice, or the commencement of a suit or after final judgment for possession of the Premises, Lessor may receive and collect any rent due, and the payment of said rent shall not waive or affect said notice, said suit, or said judgment.

#### **PAYMENT OF COSTS:**

17. Lessee will pay and discharge all reasonable costs, attorney's fees and expenses that shall be made and incurred by Lessor in enforcing the covenants and agreements of this lease.

#### **RIGHTS CUMULATIVE:**

18. The rights and remedies of Lessor under this lease are cumulative. The exercise or use of any one or more thereof shall not bar Lessor from exercise or use of any other right or remedy provided herein or otherwise provided by law, nor shall exercise nor use of any right or remedy by Lessor waive any other right or remedy.

#### FIRE AND CASUALTY:

19. In case the Premises, or any part thereof, shall be rendered un-tenantable during the term of this lease by fire or other casualty, Lessor at his sole option and discretion may either terminate the lease with Lessee or repair the Premises within 60 days thereafter. If Lessor elects to repair, this lease shall remain in effect provided such repairs are completed within said 60 day period. If Lessor shall not have repaired the Premises within said time, then at the end of such time the term hereby created shall terminate. If this lease is terminated by reason of fire or casualty as herein specified, rent shall be apportioned and paid to the day of such fire or other casualty. If the fire or casualty is of the Lessee's leased premises only, then repair of such leased unit shall be the sole obligation of Lessee, and or Lessee's insurer. Regardless of the status of any insurance claim of Lessee for such fire and casualty, Lessee is obligated to maintain the premises in safe and attractive condition and Lessee must complete all repairs and re-commence full operation of the allowed purpose of use of the premises within 60 days of any fire or casualty. Lessor, in it's sole discretion, may agree to extend the period for repair, upon receipt of written request from Lessee, so long as said request is received by Lessor prior to expiration of the 60 day period and is agreed to in writing.

#### SUBORDINATION:

20. This lease is subordinate to all mortgages that may now or hereafter affect the Premises.

#### **PLURALS; SUCCESSORS:**

21. The words "Lessor" (Landlord) and "Lessee" (Tenant) wherever herein occurring and used shall be construed to mean "Lessors" and "Lessees" in case more than one person constitutes either party to this lease; and all the covenants and agreements contained shall be binding upon, and inure to, their respective successors, heirs, executors, administrators and assigns and may be exercised by his or their attorney or agent.

#### SEVERABILITY:

22. Wherever possible each provision of this lease shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this lease shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this lease.

#### **INCONSISTENCIES:**

23. In the event of any inconsistencies between the terms of this Lease and any oral promises or prior writings, including the terms of any prior Letter of Intent or Proposal to Lease, then the terms of this Lease shall prevail and be deemed to have superseded any other writing, to the extent that such inconsistency may exist.

## INITIAL TERM RENT, ANNUAL INCREASE & 2 MONTH RENT ABATEMENT:

- 24. The Lessor and Lessee have agreed that for the purpose of all calculations of Rent, CAM, Taxes and Insurance the square footage of the premises is 2,126 square feet. All rent is annual gross rent payable in monthly installments (with a 3% year over year increase rounded up) as follows:
  - **A. INITIAL TERM RENT:** The base monthly rental for each year of 3 year term: Initial Term Annual Monthly Installments:
  - 1. Feb. 1, 2019 Jan. 31, 2020= \$3,189.00
  - 2. Feb. 1, 2020 Jan. 31, 2021= \$3,285.00
  - 3. Feb. 1, 2021 Jan. 31, 2022= \$3,384.00

(includes pro-rata Taxes, Insurance and CAM @ current Expense Stop)

B. RENT FORGIVENESS PERIOD IS 3 MONTHS: Lessor has agreed to abate or forgive the pro-rated collection of rent from Lessee for a period of 3 Months prior to the Rent Commencement date. This abatement or conditional forgiveness of rent is in consideration for the agreement by the Lessee to accept the premises in "as is condition" without expectation of any Lessor improvements, EXCEPT AS SPECIFICALLY AGREED AND ATTACHED HERETO AS LANDLORD'S WORK.

## ADDITIONAL RENT: PRO-RATA COMMON AREA MAINTENANCE (CAM)

25. IT IS ANTICIPATED THAT LESSEE BEING THE SOLE TENANT ON THE MAIN FLOOR OF THIS 2 STORY BUILDING SHALL MAINTAIN ALL OF THE ENTRANCES AND EXITS TO THE BUILDING, THE "COURTYARD" AREA, AND IMMEDIATELY

# ADJACENT AREAS. SO LONG AS LESSEE DILIGENTLY MAINTAINS THESE AREAS THERE SHALL BE NO ADDITIONAL COMMON AREA MAINTENANCE CHARGES.

If the Lessee shall fail to properly maintain the premises, then in addition to the fixed rentals and other payments provided for herein, Lessee shall pay to Lessor Lessee's pro-rata share of the "Common Area Maintenance Costs" CAM, which said costs are defined as follows:

- (a) All costs and expenses of every kind and nature paid or incurred by Lessor during the lease term in operating, managing, equipping, policing (if and to the extent provided by Lessor), protecting, insuring, repairing, replacing, and maintaining the common areas. Such costs and expenses shall include but not be limited to: maintaining any common area; cleaning; removal of rubbish and other refuse; line painting; fire protection; interior and exterior illumination of the buildings and common areas and illumination and maintenance of signs; snow and ice clearance; costs and expenses of planting, maintaining, replanting and replacing flowers and other landscaping; water and sewage charges; premiums for liability, property damage, fire, extended coverage, malicious mischief, vandalism; workmen's compensation, employees' liability, and other insurance; wages; unemployment taxes; social security taxes; special assessment; real estate and personal property taxes; fees for audits; required licenses and permits; costs and expenses of supplies; and reasonable depreciation of, and rents paid for the lease of, equipment used in the operation of the common areas, and administrative costs;
- (b) If, in accordance with the terms of any agreement or agreements heretofore or hereafter entered into between Lessor and the owners of any parcels of real estate in or adjacent to the shopping center, all or portions of the common areas in or adjacent to the shopping center are kept, maintained, and operated by a common contractor, the Common Area Maintenance Costs shall include any portion of the costs and expenses, including fees, of such contractor as shall be allocated to Lessor in accordance with such agreement; and
- (c) All contingent fees for attorneys hired exclusively for the reduction of the real estate taxes of the subject shopping center of which the demised premises form a part.

# ADDITIONAL RENT (IF APPLICABLE) COMMENCING ON 13TH MONTH FROM RENT COMMENCEMENT: PRO-RATA OF ANY INCREASE IN LESSOR INSURANCE & PROPERTY TAXES:

- 26. In addition to the fixed base rent, Lessee shall pay their pro-rata share of any increases to the following costs and expenses:
- (a) Any and all insurance premiums paid or incurred by Lessor in connection with the ownership, management and operation of the shopping center of which the leased premises form a part, including, but not limited to, fire, casualty and extended coverage up to an amount equal to its full replacement value, public liability, workmen's compensation and other forms of insurance coverage;
- (b) All real estate taxes and assessments, whether general, special or of any other kind or nature, paid by Lessor during any calendar year of lease term and during any extended term of this lease. Lessee's share shall be prorated, in the event Lessee is required to make such payment for a partial lease year. The term "real estate taxes" as used in this lease shall mean all taxes and assessments, general, special and otherwise, levied, assessed or imposed at any time by any governmental authority upon or against Lessor's real estate and the improvements thereon, and also any tax or assessment, levied, assessed or imposed at any time by any governmental authority upon or against the rentals payable by

tenants to Lessor, either by way of substitution for the taxes and assessments levied, assessed, or imposed against such land and/or improvements, or (other than an income or franchise tax) in addition thereto;

(c) The Additional Rent payable by Lessee per the terms of this paragraph 25 and the prior paragraph 24, may be grossed up and referred to in total as "Additional Rent" or CAM, or any other term, without effect to Lessor's right to receive this Additional Rent, or Lessee's continuing obligation to pay said Additional Rent.

# ADDITIONAL RENT- LESSEE'S POTENTIAL PRO-RATA SHARE HOW DETERMINED ("EXPENSE STOP PROVISION"):

Total:

FOR DETERMINING ANY ADDITIONAL REN	NSES BELOW ARE TO BE USED AS THE BASIS Γ:
CURRENT ANNUAL PROPERTY TAXES:	\$
CURRENT LESSOR'S ANNUAL INSURANCE:	\$

Lessee's prorated share shall be payable monthly as delineated herein as Additional Rent. THE

This Expense stop provision provides that the current real estate taxes and Insurance expenses are built into the annual gross rent charged, however the tenant agrees to pay Lessee as additional rent, it's prorata share of any increase in the above expenses commencing the 13th month from the Rent Commencement date, this is in addition, to the 3% base rent increased every year. It is understood that Lessor will utilize the actual tax and insurance bills it receives for the property received in 2019, subtracting from these the amounts listed above in order to arrive at a difference (if any) which if a positive number (increase) will be additional pro-rata rent owed by Lessee. The above current Taxes and Insurance are based on amounts invoiced and payable in 2017.

\*For purposes of illustration only:

Current year Taxes and Insurance Total \$12,000.00

2019 Taxes and Insurance Billed Total: \$16,000.00

Difference or Increase: \$4,000.00 per year. \$4,000/4,000 square feet= \$1.00 per square feet increase x 2,126 Lessee portion= \$2,126 in annual additional rent- \$177 additional rent each monthly installment.

In computing the percentage liability of Lessee insofar as the common areas, insurance, taxes and other expenses are concerned (the Additional Rent) for which Lessee is liable for it's own pro-rata share under the previous two paragraphs and other pertinent paragraphs, it is agreed that the total rentable area of the building now consists of 4,000 square feet, of which Lessee occupies an area of 2,126 square feet of rentable area, so that Lessee's pro-rata share of the shopping center expenses and taxes as outlined in the previous two paragraphs shall be Lessee's area of 2126/4000 which is the total rentable area of the building (approximately 55% of any increase in CAM, Insurance and Property Taxes). Lessee understands and agrees that Lessor shall calculate Lessee's liability by taking all costs divided by the then current total rentable Square Feet to arrive at a per square foot amount and then multiply said amount by the agreed to square footage listed in this lease.

- (d) Lessor shall not be obligated to hold the security deposit as a separate fund, but may commingle it with other funds;
- (e) If Lessee shall faithfully perform all of the covenants and agreements in this lease contained on the part of Lessee to be performed, the security deposit, or any then remaining balance thereof, shall be returned to Lessee, without interest, within thirty (30) days after the expiration of the lease term and surrender of possession by Lessees;
- (f) The rent security deposit shall be increased annually on the anniversary date of each lease year by the payment by Lessee to Lessor by a separate check of the difference between the monthly rent of each subsequent year and the monthly rent of the previous year; such difference to be remitted by a separate check on the anniversary of each of the years of the initial rent term, and, if exercised, each year of any option term.

#### EXIT DOOR AND STORE FRONT:

39. It is clearly understood and agreed that any and all exit doors, storefront and windows shall be maintained by Lessee in good order and repair. Lessor bears no responsibility for any exit doors, store front and windows, and Lessee takes possession of the same in "as is" condition.

#### LESSOR'S RIGHT TO MORTGAGE:

40. The rights and interest of Lessee under this lease shall be subject and subordinate to any first mortgage or trust deed creating a first mortgage lien (and any junior mortgage lien provided that Lessor shall procure the consent of the first mortgage lender) which may from time to time be placed upon the leased premises, if the mortgagee or trustee named in said mortgage or trustee named in said mortgage or trust deed shall elect to subject and subordinate the rights and interest of Lessee under this lease to the lien of its mortgage or deed of trust and shall agree not to disturb Lessees' leasehold in the event of foreclosure if Lessee is not then in default hereunder. Any first mortgagee or first trustee may elect to give the rights and interest of Lessee under this lease priority over the lien of its mortgage or deed of trust. In the event of such election and upon notification by such mortgagee or trustee to Lessee to that effect, the rights and interest of Lessee under this lease shall be deemed to be superior to the rights and interest of any such mortgagee or trustee as if this lease was dated and recorded prior to the date of said mortgage or trust deed. Lessee shall execute and deliver a non-disturbance, subordination and attornment agreement customarily used by the Lessor's mortgage lender.

Lessee agrees at any time, and from time to time during the term of this lease, upon request by Lessor or the holder of any mortgage or other instrument of security given by Lessor, to execute, acknowledge and deliver to Lessor, or to the holder of such instrument, a statement in writing certifying that this lease has not been modified and is in full force and effect (or if there have been modifications, that the same are in full force and effect and stating such modifications); that there are no defaults hereunder by Lessee and the dates to which the rent and other charges have been paid, it being intended that any such statement so delivered may be relied upon by the holder of any such mortgage or other instrument of security or any authorized assignee of Lessor.

Lessee further agrees at any time and from time to time to acknowledge notice of the assignment of this lease by Lessor to its mortgagee.

#### SURRENDER:

41. Upon the expiration or other termination of this lease, Lessee shall quit and surrender to Lessor the leased premises, together with all other property affixed to the leased premises (with the exception of Lessee's trade fixtures), in good order and condition, ordinary wear and tear excepted. Lessee shall, prior to the expiration or other termination of this lease, remove all property belonging to it and failing to do so, Lessor may cause all of said property to be removed at all expense of Lessee and Lessee herby agrees to pay all costs and expenses thereby incurred. Lessee's obligation to observe or perform this covenant shall survive the expiration or other termination of this lease. In the alternative, Lessor may, at his option, treat any and all items not removed by Lessee on or before the date of expiration or of the termination of this lease as having been relinquished by Lessee and such items shall become the property of Lessor with the same force and effect as if Lessee had never owned or otherwise had any interest in such items.

#### ADDITIONAL REPAIRS:

Whenever any part of the Premises or the Shopping center is damaged by the action of Lessee, 42. Lessee at its sole cost and expense, and without any reimbursement from, or contribution by, Lessor, shall make all necessary repairs, reconstruction and/or replacements to the leased property, plumbing systems, electrical systems and/or wiring, and to the pipes, heating and air-conditioning system or systems, window glass, fixtures, and all other appliances and appurtenances thereto and thereunto belonging, to the premises including, but not limited to, the roof, exterior and interior walls, partitions and foundation of the structures and improvements thereto and thereunto belonging, all equipment used in connection with the leased property, and the sidewalks, parking area, curbs adjoining or appurtenant to the leased premises, landscaping, grounds, and the interior and exterior of the building, including, but not limited to, the sewer and water lines, all in their entirety. Such repairs and replacements, interior and exterior, ordinary as well as extraordinary, and structural as well as not structural, shall be made promptly and as often as and when necessary. All repairs and replacements shall be done in a good, substantial and workmanlike manner, and shall be in quality and class at least equal to the original work. Lessor may, but shall not be required to, make such repairs and replacements for Lessee, and the expense thereof shall constitute and be collectible as so much additional rent thereunder. LESSEE'S OBLIGATION EXTENDS TO ITS LEASED PREMISES AND THE COMMON AREAS DIRECTLY EFFECTED OR DAMAGED BY ACTIVITIES OF LESSEE. LESSOR SHALL BE RESPONSIBLE FOR NORMAL MAINTENANCE OF THE ROOF AND OTHER AREAS SOLELY SERVICING SEPARATELY LEASED APARTMENT

#### WAIVER:

43. No waiver of any covenant or condition or the breach of any covenant or condition of this lease shall be taken to constitute a waiver of any subsequent breach of such covenant or condition, nor shall it justify or authorize a non-observance of any other occasion of such covenant or condition, nor shall the acceptance of rent by Lessor at any time when Lessee is in default hereunder be ever construed or interpreted as a waiver of such default or of Lessor's right to terminate this lease on account of such default.

#### **GOVERNING LAW AND GENERAL PROVISIONS:**

44. The terms of this lease shall be interpreted in accordance with the laws of the State of Illinois. The following general provisions apply to all terms contained herein:

- (a) Whenever any notice shall be required to be sent hereunder, same may be sent by fax or email if numbers or email addresses are provided herein, or by certified or registered mail, return receipt requested, and shall be deemed sent upon so mailing or sending same, to the parties hereto at the respective addresses shown at the beginning of this lease in the printed portion hereof. Either party shall have the right to advise the other, in writing, of any desired change in the name and/or address of the person(s) to whom notices are to be given hereunder, from time to time;
- (b) Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent, or of partnership, or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent nor any other provisions contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Lessor and Lessee;
- (c) Whenever the consent of the Lessor shall be required under any of the provisions, covenants, or terms of this lease, such consent shall not be unreasonably withheld by Lessor, so long as the granting of such consent shall not jeopardize the Lessor's security hereunder and shall be commercially reasonable when viewed and analyzed under the prevailing economic and rental conditions existing at the time such consent is requested by Lessee;
- (d) The headings of the several articles and sections contained herein are for convenience only and do not define, limit, or construe the contents of such articles and sections. All negotiations, considerations, representations and understandings between the parties are incorporated herein, and may be modified or altered only by agreement in writing between the parties.

#### **CONDITION OF PREMISES:**

45. Anything to the contrary notwithstanding in the body of this lease, it is clearly understood and agreed that Lessee has examined the condition of the premises hereby leased and that he has accepted same in "AS IS A CONDITION".

#### ONE THREE YEAR OPTION TO EXTEND 3% PER YEAR ANNUAL RENTAL INCREASE:

46. Provided that Lessee is not in default under any of the covenants, terms and conditions of this lease, Lessee is hereby given 1 option to extend the within lease for (1) separate and consecutive three-year optional term period, to-wit, commencing at the termination of the third and final year of the initial lease period and commencing immediately thereafter per the attached Exhibit A rent schedule, if exercised on the same terms and conditions as are contained in the within lease and as follows, and as set forth in the heading of this lease. In order to exercise the options to extend, Lessee must give Lessor advanced written notice by delivering to Lessor at the address set forth herein, notice of Lessee's election to exercise this option to extend. Said notice of election to exercise this option to extend must be received by Lessor on or before 90 days prior to the expiration of the original lease term or the Lessee's option will be waived unless otherwise agreed to by Lessor in writing.

The Annual Base Rental Amount shall increase 3% annually, rounded to the nearest full dollar, each year from the total base rental amount paid in monthly installments the previous 12 months of the Initial Term and of any exercised Option Term of the lease.

#### **RIGHT TO SUBLEASE:**

- 47. Lessee has the right to sublease or assign its rights and obligations under this lease to a third party purchaser of Lessee's business, only with the advance express written consent of Lessor under the following conditions:
- 1. Lessee must serve its written request for consent to Lessor at least sixty days prior to the sublease or assignment of its rights and obligations under this lease.
- 2. Lessee's intended sub-lessee or assignee shall submit all required information to allow Lessor to complete a credit check of individuals or entities intended as sub-lessee or assignee, Lessor retains the right to refuse any sublease or assignment to anyone who is determined to be un-creditworthy.
- 3. At the time of any request to sublet or assignment Lessee shall not have failed to perform any of the terms, provisions or conditions of this lease to be performed by Lessee.
- 4. Lessee and its intended assignee or sub-lessee shall execute, acknowledge and deliver to Lessor a fully executed counterpart of a written assignment of lease or sublease, as the case may be, duly consented to by Guarantor, if any, and specifically acknowledging knowledge and acceptance of each and every term of this lease by the intended assignee or sub-lessee.

Lessor shall not unreasonably withhold its consent to any assignment or sublease proposed by Lessee, and said consent shall not in any way be construed to relieve Lessee from any further performance of any of the terms and conditions of this lease and Lessee shall continue to be primarily liable hereunder with the same force and effect as though no assignment or sublease had been made; and Lessee shall be obligated to pay the Lessor the sum of \$950.00 for administrative costs, credit checks and attorney's fees in connection with any requested subletting or assignment.

#### SIGNAGE:

48. Lessee will be responsible for all costs and expenses, direct ancillary or incidental, including permits, design, installation, etc. per any and all local codes and ordinances regarding the installation of its exterior signage. Lessee will submit its proposal for its signage to Lessor for review and reasonable approval in advance of installation.

IN WITNESS THEREOF, the parties hereto have placed their hands and seals the day and year first above written on this Lease and any Rider.

LESSEE: 100 Grapes, LLC by it's Members:	LESSOR:Tran Investments, LLC
<u>X</u> by: Corey Hebein	x
X	Jimmy Tran (SEAL) IT'S AUTHORIZED AGENT
by: Laura Hebein	Tenants to provide and maintain full contact information to Landlord, including each
	Tenants Social Security Number, Current Address and Mobile Phone Number and
	Emergency Contact information.

#### EXHIBIT "A" RENT SCHEDULE

**INITIAL TERM RENT:** The base monthly rental for each year of 3 year term: Initial Term Annual Monthly Installments:

- 1. Feb. 1, 2019 Jan. 31, 2020= \$3,189.00
- 2. Feb. 1, 2020 Jan. 31, 2021= \$3,285.00
- 3. Feb. 1, 2021 Jan. 31, 2022= \$3,384.00

(For Illustration Purposes subject to all terms contained in Lease and without application of Paragraph 27. ADDITIONAL RENT-"EXPENSE STOP PROVISION"):

ONE BY THREE YEAR OPTION TO EXTEND 3% PER YEAR ANNUAL RENTAL INCREASE (plus *Paragraph 27*. ADDITIONAL RENT-"EXPENSE STOP PROVISION"):

#### 3 year Option Term Annual Monthly Installments:

- 1. May 1, 2021 April 30, 2022= \$3,486.00
- 2. May 1, 2022 April 30, 2023= \$3,591.00
- 3. May 1, 2023 April 30, 2024= \$3,699.00

MONTHLY RENTAL PAYABLE ON FIRST DAY OF EACH MONTH AFTER 10TH OF ANY MONTH ADDITIONAL 5% LATE FEE.

#### EXHIBIT "B" LANDLORD'S WORK

LANDLORD 3 WORK	
LESSOR AGREES TO COMPLETE THE FOLLOWING WORK ON THE LESSEE'S POSSESSION:	BUILDING PRIOR TO
AGREED BY LESSOR:X	OATED:
	ATED:

ACCEPTED BY LESSEE:X DATED:

Date of Lease		3+36 Month Term of Lease	Monthly Rent Installment:
November	2018	Beginning Ending	(Modified Gross Lease)
		*November 1, 2018 - January 31, 2018	Initial Term Annual Monthly Installment
		(*Rent Abatement/Early Possession period) Rent Commencement: February 1, 2019	Feb. 1, 2019 - Jan. 31, 2020= \$3,189.00
		Initial 3 Year Term:	Feb. 1, 2020 - Jan. 31, 2021= <b>\$3,285.00</b> Feb. 1, 2021 - Jan. 31, 2022= <b>\$3,384.00</b>
		February 1, 2019 - January 31, 2022	(includes pro-rata Taxes, Insurance and
		Options: 1 x 3 year Terms	CAM @ current Expense Stop)
		See paragraph 46. Option Terms & & attached Exhibit "A" Rent Schedule.	See paragraph 24 herein & attached
			Exhibit "A" Rent Schedule.
Location of Pren	nises: 106 E	E. Main Street, St. Charles, IL 60174 (1	st Floor)+/- 2,126 SF Store Unit
LESSEE (Tenan	ts):	LESSOR(Landlord):	Rent Payable To:
100 Grapes, LLC		TRAN INVESTMENT LLC	Jimmy Tran OR
Phone#		State Substitute San Control State Control State	AUTHORIZED AGENTS
GUARANTOR:		*	
Corey and Laura	Hebein		
On this,	on the rece		
luable consideration arantors, Corey of performance by reements of the all Guarantors, dispressions of the prompt performance of the prompt performance of the all the control of the prompt performance of the performance of the prompt performance of the performance	Hebein and Lessee, Les bove Lease a absolutely a ance of all I	ipt and sufficiency of which is hereby ack Laura Hebein, both jointly and severall ssee's heirs, executors, administrators, sugas more fully provided herein.  and unconditionally guarantees to Landlor Lessee's Obligations including, but not line	y hereby guarantee the payment of ren eccessors or assigns of all covenants and d, its successors and assigns, the full nited to, the payment when due of all
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Corey Hebein

(SEAL)

Laura Hebein

Lessee.

**QUOTE REF**ERENCE: LIQ/229089

ILLINOIS LIQUOR LIABILITY QUOTE

PLEASE READ CAREFULLY. THIS QUOTATION IS NOT A BINDER OF INSURANCE. IT DOES NOT NECESSARILY PROVIDE THE TERMS AND/OR COVERAGE REQUESTED IN YOUR PROPOSAL. THIS QUOTE IS VALID FOR 30 DAYS FROM: 23 October 2018

Coverholder:

Donald Gaddis Company, Inc 104 S. Michigan Ave., Suite 1025

Retail Broker:

BRADISH ASSOCIATES LTD 215 N. ARLINGTON HTS. RD.

ARLINGTON HTS.

IL 60004

Chicago IL 60603

1. Name and address of Assured (Licensee in respect of Location 1)

100 GRAPES, LLC

CAROL STREAM Illinois 60188

2. Sale or gifts of alcohol made by the licensee/s above limited to the following location

106 E. MAIN ST.

ST. CHARLES Illinois 60174

Period: From 23 October 2018 to 23 October 2019 both days at 12:01 a.m. Central Standard Time
 Insurance to be effected with certain UNDERWRITERS AT LLOYD'S, LONDON: 100%
 Classification of Risk Amount of Gross Annual Receipts
 RESTAURANT

Producer Commission 10.00% of Total Premium

Total Premium: \$1,140.00
Policy Fee: \$25.00
Total Payable: \$1,165.00

LIMIT OF LIABILITY
Combined Single Limit \$1,000,000

FORMS ATTACHED:
LII 12 (01/07)
AIF 2273

COVERAGE IS SUBJECT TO SIGNED AND DATED APPLICATION. PLEASE REFER ANY REQUEST TO BIND TO COVERHOLDER.



# VILLAGE OF CAROL STREAM POLICE DEPARTMENT

500 N. GARY AVENUE • CAROL STREAM, ILLINOIS 60188-1899

October 17, 2018

**Corey Hebein** 

Dear Corey:

Congratulations! You passed the final exam for your B.A.S.S.E.T. certification. By utilizing the techniques that you have learned in the class, you become more responsible as a server or seller of alcohol.

Enclosed you will find your certification from our department. Within (4) four weeks you should receive your Illinois Liquor Control Commission certificate, if not please do not hesitate to call me.

If you should have any other questions regarding the selling or serving of alcohol, please feel free to call me at any time at 630-871-6201.

Officer Thomas Eby

Thomas Eby

Carol Stream Police Department Special Operations Unit



This is to certify that

# **COREY HEBEIN**

has successfully completed a seminar in ALCOHOL SELLER & SERVER EDUCATION TRAINING

State of Illinois Certified BASSET Program EXPIRES: 10/16/2021

12-5A-0048785

ILCC Certification#

Tom Ely-

### **BASSET Card**



**COREY HEBEIN** 

October 19, 2018

Letter ID: L0063577808

License No.:

5A-0048785

**Expiration Date:** 

10/16/2021

License Type:

**Basset Card** 

Your "Student ID number" is: 419

Your "Trainer's ID number" is: 5A-0048785

Your BASSET Card is located BELOW

# DO NOT throw away this letter as you will need your "Student ID number" directly above to re-print your card.

#### IMPORTANT:

To re-print your card, visit the Illinois Liquor Control Commission website at ILCC.illinois.gov (click on the RESOURCES tab to access the "BASSET Card Lookup" page).

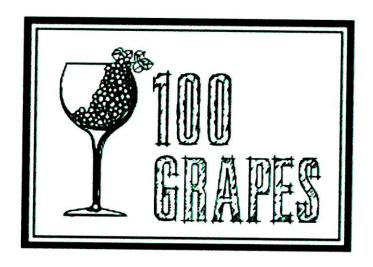
#### **ILLINOIS LIQUOR CONTROL COMMISSION**

100 W. Randolph Street, Suite 7-801 - Chicago, IL 60601 BEVERAGE ALCOHOL SELLERS AND SERVERS **EDUCATION AND TRAINING [BASSET] CARD** 

Date of Certification: 10/16/2018 Expires: 10/16/2021 Trainer's IL Liquor License Number: 5A-0048785

\*\*Card is not transferrable\*\*

# 100 Grapes Winery and Tasting Room



100 Grapes, LLC

## Table of Contents

Company Description	3
Products and Services	4
Operational Plan	5
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## **Company Description**

100 Grapes, LLC is a private label winery and tasting room. It is our mission to bring great wine to a larger audience, in a relaxed and welcoming environment. Every wine expert began their journey as a novice. Unfortunately for most, oenology (the study of wine) has an air of unapproachability. Tasting rooms and vineyard alike seem to welcome only the knowledgeable. The 100 Grapes tasting room will cater to all individuals, from the unseasoned to the sommelier. We will bring our own unique spin on education to the tasting experience in a comfortable yet refined space.

In addition to our focus on sharing knowledge, we value community involvement, and 100 Grapes looks to give back to the community that it serves. 100 Grapes also plans to provide special promotions for the area police, firefighters, and local government.

From a storefront beginning, 100 Grapes aims to grow to a full production and tasting estate. Our plan is to transition from private label, to an in house production that sources grapes from Illinois Vineyards. It is our goal to become an essential stop on the Northern Illinois Wine Trail.

Within our first two years, 100 Grapes plans to turn a profit and aggressively funnel profits into paying off all debts and loans. Within five years, the 100 Grapes financial outlook is to be in a position where we can open a secondary location, thus extending our reach and brand name. Our 10 year goal is to open a production facility. Once wine production can take place in house, we will begin the process of slowly transitioning to Illinois sourced grapes.

100 Grapes guests to the winery will include local residents and area visitors, with a big draw from the local businesses and their workers (all of course, over the age of 21). Our target guests have expendable income and enjoy wine, but don't necessarily know too much about the specifics of the wine tasting. We want to attract visitors who may otherwise be put off by the haughty, intimidating environment of other area tasting rooms.

The Illinois wine industry is currently experiencing a boom in growth. As of 2017 there was 10 times the number of wineries in the state of Illinois, than there were in 2007. The Illinois Grape Growers and Vintners Association estimated that in 2012 Illinois wine industry accounted for \$692 million in revenue.

100 Grapes is a Limited Liability Company. This structure has been chosen for its flexibility and pass-through taxation option. 100 Grapes, LLC has two managing members, wife and husband: Laura Hebein and Corey Hebein. Percentage interest is divided 51% to Laura Hebein and 49% to Corey Hebein, making 100 Grapes, LLC a majority woman owned company. Majority ownership has been divided in this fashion to provide 100 Grapes, LLC with the ability to participate in woman owned business opportunities such as grants and memberships. As well as, support the existing, and expansion, of local woman owned businesses. 100 Grapes, LLC managing members plan to take every fiscal benefit afforded by the structure and percentage interest chosen.

#### **Products and Services**

Wine loving residents of the Northwest Suburbs have precious few choices when it comes to local wineries and tasting rooms. While retailers of wine as a product are in abundance, there are only a handful of locations to enjoy wine as an experience. The local tasting rooms that are available are often intimidating for the casual wine drinker. Wine comes in virtually endless styles and varietals, which can be a lot for a novice wine drinker to take in, much less chose.

100 Grapes Winery provides a friendly environment to experience our unique wine for all levels of consumer. 100 Grapes major focus is creating a welcoming atmosphere. Other brands may be satisfied to rest on the laurels of their product, but the managers of 100 Grapes feel that the quality of our wine will be wasted without great, friendly service.

The 100 Grapes experience will include our unique brand of wine sold by; Tasting, Flight, by the Glass, or Bottle. Tastings sold at \$7.00, will include six one-ounce pours selected by the guest from any of our available varietals. Flights sold at \$9.00 will offer four two-ounce pours of our guests choosing. Wines by the glass will be available for all of our varietals at \$7.00. Guests may also choose to share a bottle in house or purchase bottles at retail for home consumption. Bottle prices will vary based on the wine and will average \$15.00.

The biggest competitors, within the Northwestern Suburban area of Illinois, are; Cooper's Hawk, Galena Cellars Winery, and Lynfred Winery. They offer glasses of wine and bottles, but flights and tastings are not always available among other wine providers.

100 Grapes Winery will offer eight varietals to start; four whites and four reds, based on the managers choosing from our supplier- Fenn Valley Vineyards. All wine will be produced, bottled, and labeled by Fenn Valley Vineyards.

### **Operational Plan**

100 Grapes Tasting Room will serve its exclusive brand of wine. Our wine will be available by tasting, flight, glass, or bottle. Excellent service is our goal. 100 Grapes will welcome all experience levels of wine drinkers and will encourage learning about wines via our service to all customers. 100 Grapes staff will be knowledgeable on each varietal and the special processes involved in producing each. We will partner with our provider, Fenn Valley Vineyards, to share wine insights with our guests. Above all else, we would like our guest to feel that 100 Grapes Tasting Room is a comfortable, welcoming environment. Each guest will be greeted as a friend. Our staff will engage guests in conversation and strive to build meaningful relationships with every visitor that walks into 100 Grapes Tasting Room.

100 Grapes Winery will rely heavily on our wine supplier Fenn Valley Vineyards to maintain the quality of our wines. Having personal experience with the wines offered by Fenn Valley Vineyards for the last seven years, the managers of 100 Grapes are fully confident in the consistency and quality of Fenn Valley Vineyards wines.

100 Grapes has settled on the commercial storefront located at 106 E Main Street in St. Charles, IL for its primary location. This storefront affords 100 Grapes Tasting Room a high volume of foot traffic as well as easy access for a number of local businesses. We will not have live music. We will not have outdoor seating, though the atrium feature at this location is a welcome bonus, creating an outdoor seating feel while being inside (Appendix A).

Currently the property is completely empty with the exception of two existing, newly build, bathrooms. Flooring will need to be installed as only the subfloor currently exists. Secure, temperature controlled inventory storage will need to be built into the space. Additionally a bar and easy access inventory storage must be built. See proposed floor plan in Appendix A.

100 Grapes needs to obtain retail and service liquor licenses from both St. Charles and the State of Illinois to serve its guests. Both managers and any future employees will need to be BASSET certified to serve alcohol. In addition to standard business insurance, 100 Grapes will also acquire liquor liability insurance.

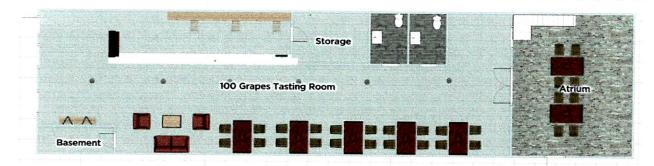
100 Grapes Tasting Room hours of operation will be: Monday through Thursday - 11am to 7pm Friday and Saturday - 11am to 8pm Sundays - 12pm to 5 pm

## Appendix A

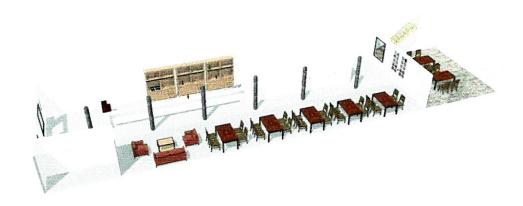
# 106 E Main St, St. Charles, IL 60174

Proposed Buildout & Floor Plan

Main Area: 22.5' x 75'



Expected seating is 32 guests. Bar standing room only expected to stand 20 guests.



Rear Atrium: 22.5' x 19'





# Appendix A (cont) 106 E Main St, St. Charles, IL 60174

There is no outside parking or seating included or available with this unit.





# City of St. Charles Chapter 34 – Existing Building Evaluation

Building & Code Enforcement 630.377.4406	Fire Prevention Bureau 630.377.4457
Site Address: 106 E MAIN ST	
Contact Name: Cokey HEBEIN	Date: 10-30-18
Telephone No.:	
Building Area/Square feet: 2100  Building Height: 25  Existing Use: Congression Unit - Restaution Proposed Use: Like Tasting   Sauces	Number of Floors: 2 Construction Type: 3 Zoning Type: (Existing) 23D-1
Existing Sprinkler Systems  Existing Fire Alarm  Existing Knox Box  Existing Fire Alarm  Existing Fire Alarm	Dlans to Sive department.
Parking Off-Street: Exstand Popul Docks: MA HVAC System/Exhaust Hoods: Folks Din Electrical System (s): 2-100 gmp Breside Kane County Health Review: Poskible Review Phone NO. 630.444.3040) Flood Pistantial to Be Reviews NEW USE	Structural Analysis Floor Load: NEEDES
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