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Burbank Shopping Center
Burbank, Illinois

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71-53-464 D1

FEDERATED DEPARTMENT STORES, INC.

(Tenant)

AND

(Landlord)

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO,
not individually but solely as Trustee under a Trust Agreement
dated November 22, 1983 and
known as trust No. 59691

BETWEEN

Dated as of January 13, 1984

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Chicago Dated Nov. 30, 1983
- EXHIBIT G - Specifications Rider
Condition Requirements for
Improvement of the Leased site

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KDB014-B & KDB023-A
(1/13/84)

LEASE

THIS LEASE is made and entered into this 13th day of January, 1984, by and between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not individually but solely as Trustee under a Trust Agreement dated November 22, 1983 and known as Trust No. 59691, having its principal office at c/o Burbank Associates, Merchants Plaza, P.O. Box 7033, Indianapolis, Indiana 46207 ("Landlord"), and FEDERATED DEPARTMENT STORES, INC., a Delaware corporation, having its principal office at 7 West Seventh Street, Cincinnati, Ohio 45202 ("Tenant").

R E C I T A L S:

A. Landlord is the owner of a certain tract of land containing approximately 18.71 acres and the owner of easements to use and maintain certain roadways and drainage facilities adjacent thereto (collectively the "Burbank Site"; subject to the provisions of Section 1.2 as to the amendment thereof) in the shopping center currently being developed called "Burbank Shopping Center" located in the City of Burbank, County of Cook, State of Illinois, legally described in Exhibit A hereto and shown on the two alternative Plot Plans attached hereto as Exhibit B and Exhibit B-1 (collectively, either "Exhibit B" or the "Plot Plan") and which Plot Plan delineates the Permissible Building Area of both Landlord and Tenant within the Burbank Site.

B. Landlord desires to construct and operate, or cause the construction and operation as a part of the Center, the buildings and installations, or a portion thereof as shown on the Plot Plan for the sale of goods and services, sale of food and or the carrying on in general of commercial activities (such buildings and installations are hereinafter collectively called the "Landlord Improvements") to be located on specific portions of the Burbank Site (which portions, hereinafter called the "Permissible Building Area" are shown on the Plot Plan).

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C. It is proposed that Tenant will construct and operate the Tenant's Building for use as a retail store as more particularly described in Section 13.1 hereof on that part of the Burbank Site (the "Leased Site") shown on the Plot Plan.

D. Super Valu Stores, Inc. (the "Existing Store") is the owner of and is presently operating a grocery store on a parcel of land (the "Cub Foods Site") adjacent and contiguous to the Burbank Site and which is more particularly described in Exhibit C and shown on the Plot Plan.

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ARTICLE I

DEFINITIONS

1.1 "Tenant's Building". Tenant's Building is the building as described in Section 10.1 to be constructed by Tenant on the Leased Site together with any alterations or modifications thereto, or replacements thereof, and shall include all appurtenances, accessions and fixtures thereto other than Trade Fixtures.

1.2 "Center". Center means the Burbank Site and the improvements thereon but excludes the Leased Site and the improvements thereon. In the event Landlord becomes the owner of the Cub Foods Site then the term "Center" and the term "Burbank Site" shall each without further action of the parties include the Cub Foods Site.

1.3 "Common Area". Common Area means (i) the (a) individual parking places for passenger vehicles, (b) roadways and passageways to provide vehicle access to, and ingress and egress, to and from and in and out of individual parking places in the Center to streets adjacent to and abutting the Total Property, including entrances to and exits from the Total Property, (c) sidewalks and walkways to provide pedestrian access to and ingress and egress to and from such individual parking places, (d) malls, whether covered or uncovered or open or enclosed, to provide pedestrian access to and ingress and egress to and from the Sites of the respective parties hereto, (e) landscaped and planted areas, (f) all curbs and lighting standards, traffic and directional signs, and traffic stripings and markings, and (g) the pylon sign described in Section 15.1, all (other than (b)) as located within the Burbank Site, but not within the Leased Site, and (ii) the area over and within which Landlord has the benefits of an easement for storm water retention located on the land adjacent to the Burbank Site and described on Exhibit A and shown on the Plot Plan and the sewers, pumps and facilities required for the operation thereof.

1.4 "Default Interest Rate". Default Interest Rate means two per cent (2%) over the corporate base rate from time to time announced (and changing simultaneously with each change in the corporate base rate)

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by The First National Bank of Chicago as its corporate base rate, but not to exceed (a) the maximum rate of interest from time to time permitted under any applicable federal law (provided such federal rate preempts the maximum interest rate chargeable in the State of Illinois), or (b) in the absence of preemption, the maximum rate of interest from time to time permitted under Illinois law.

1.5 "Floor Area". Floor Area means the number of square feet of floor area on all levels including basements, mezzanines, and floor areas occupied for storage, measured to the exterior surface of the exterior walls and to the center line of any common walls, and outdoor selling areas, but excluding malls, whether covered or uncovered or open or enclosed, service corridors, and excluding areas devoted to mechanical equipment located in penthouses and bulkheads, truck dock platforms, maintenance office and buildings occupied by Landlord and used only in connection with the Burbank Site, and decked storage areas (other than on floor level). Initially each party shall calculate the Floor Area on its Site and shall submit such calculation to the other party. Promptly after receipt of such calculation the square footage of Floor Area shall be based on certificates agreed to by Landlord's architect and Tenant's architect. In the event the Landlord and Tenant's architects can not agree on any calculation or total of Floor Area, the matter shall be submitted to arbitration pursuant to Section 21.23 hereof.

1.6 "Lease Term". Lease Term means the Original Term, any Renewal Term(s) which have been exercised pursuant to this Lease, and any period provided for in Section 3.3 hereof.

1.7 "Rent". Rent includes both Minimum Rental and Percentage Rental and any other amount provided in this Lease to be paid as additional rental by Tenant to Landlord.

1.8 "Total Property". Total Property means the aggregate of the Cub Foods Site, the Center and the Leased Site.

1.9 "Trade Fixtures". Trade Fixtures means all trade fixtures, inventory and personal property of Tenant located on the Leased Site.

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ARTICLE II

DEMISE

2.1 Upon the terms and conditions hereinafter set forth and in consideration of the payment from time to time by Tenant of the Rent hereinafter set forth and in consideration of the prompt performance by Tenant of each and every one of the covenants and agreements hereinafter contained to be kept and performed by Tenant, the performance of each and every one of which is declared to be an integral and essential part of the consideration to be furnished by Tenant, Landlord does hereby lease, let and demise unto Tenant, and Tenant does hereby lease of and from Landlord, for the term at the Rent and upon all of the other provisions of this Lease, the Leased Site together with any and all improvements now or hereafter erected or installed thereon and any and all present or future appurtenances, rights, franchises, privileges, licenses and easements benefiting, belonging or pertaining thereto, and further together with the non-exclusive rights granted in Section 5.2 hereof (herein collectively referred to as the "Leased Premises").

Landlord represents that: (a) it has not entered into any agreements with the City of Burbank, Illinois, or with any other political subdivision which would adversely affect any rights granted by Landlord to Tenant in this Lease or which would reduce Tenant's rights under any applicable building or zoning ordinance and (b) to the best of Landlord's knowledge the Burbank Site and Leased Site are currently zoned in such a classification which permits the construction and operation of a shopping center and a retail department store as provided herein.

ARTICLE III

TERM

3.1 Original Term. The term of this Lease shall commence on the first to occur of (a) June 1, 1986 or (b) the Opening Date (as defined in Section 4.2 hereof) and shall continue to and including the date which is the last day of the twenty-fifth (25th) Fiscal Year thereafter (as defined in

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Section 4.5(b)) (the "Original Term"), unless this Lease shall be sooner terminated or extended in accordance with its terms.

3.2 Tenant's Options to Renew. Tenant shall have three (3) separate options to renew and extend this Lease for three (3) separate, successive periods of ten (10) Fiscal Years each (each such period being herein referred to as a "Renewal Term") to follow consecutively after the Original Term, upon the following terms and conditions:

(a) An Event of Default shall not have occurred and be continuing either at the time of exercise of an option for a Renewal Term or at the time of the commencement of such Renewal Term.

(b) Each such option shall be exercised by Tenant, if at all, by giving notice of exercise to Landlord (i) not less than one (1) Fiscal Year prior to the expiration of the Original Term or the expiration date of the then expiring Renewal Term, as the case may be, or (ii) in accordance with Section 8.4 hereof.

(c) Tenant shall not be entitled to exercise its option with respect to any Renewal Term unless it shall have renewed this Lease for each of the prior Renewal Term(s).

(d) At the time of each option exercise, the Tenant's Building has been occupied for retail purposes and open to the general public for at least the immediately preceding two Fiscal Years, or if not so occupied that the Tenant has been and is diligently pursuing a subtenant or assignee for the Tenant Building.

3.3 Termination of the Lease Extension Option and Automatic Lease Extension. It is the intention of the parties hereto to absolutely avoid any forfeiture of Tenant's rights to extend or renew the term of this Lease under any of the Renewal Term options through inadvertent failure of

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Tenant to give notice of the exercise thereof within the time limits prescribed in Section 3.2(b) hereof. If Tenant shall be entitled to exercise any option for a Renewal Term pursuant to the provisions of Section 3.2(b) hereof but shall fail or neglect to exercise such option within the time limitation set forth in such Section, then at any time after the earliest date the notice of exercise could have been given but not prior to the one (1) Fiscal Year period set forth in Section 3.2(b), Landlord may give Tenant notice of Landlord's election to terminate such option unless within three (3) full calendar months after receipt of such notice, Tenant exercises its option for such Renewal Term. If Tenant thereafter fails to so exercise such option to extend the Lease Term within such 3-month notice period, this Lease shall expire on the last to occur of (a) the stated Lease Term termination date otherwise provided for in this Lease and (b) the expiration of such 3-month period.

If Tenant shall fail to give notice to Landlord of Tenant's election to extend the term of this Lease for any Renewal Term, and if Landlord shall fail to give notice to Tenant of Landlord's election to terminate Tenant's right to extend this Lease, then, as set forth above, for so long as such event shall continue, the Lease Term shall be automatically extended, for successive periods of three (3) full calendar months each (during which periods the Rent shall be the Rent which would have been applicable had Tenant duly elected to extend the Lease for the applicable Renewal Term), upon all of the terms and conditions then in effect subject to Tenant's rights under the aforesaid Renewal Term options and Landlord's rights to place a time limit on Tenant's right to exercise such Renewal Term options by a notice in the manner above provided.

Provided, however, and notwithstanding the foregoing, Tenant shall have the right (exercisable by notice to Landlord at least twelve (12) full calendar months in advance of the stated expiration date of the Lease Term) to have the Lease Term end on the Original Term's stated expiration date (or, if the Lease has been extended for a Renewal Term, on such Renewal Term's stated expiration date).

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If Tenant has no option to further extend this Lease for a Renewal Term under the terms and provisions of Section 3.2 hereof, the Lease Term shall terminate on the stated expiration thereof and no holding over by Tenant or acceptance of Rent by Landlord shall operate to extend the Lease Term other than on a month-to-month basis.

3.4 Effect of Renewal. In the event of any extension of the Lease Term by reason of Tenant's exercise of any one or more of its Renewal Term options set forth in Section 3.2(b) hereof, or by reason of automatic Lease Term extension(s) pursuant to Section 3.3 hereof, this Lease shall be deemed and shall forthwith be renewed with the same force and effect as if the stated expiration date of the Lease Term as so extended had been the originally specified expiration date of the Lease Term, and all of the terms, covenants, conditions and provisions of this Lease shall continue in full force and effect during each Renewal Term period, except that this Section 3.4 shall not grant any option to renew or extend the Lease Term beyond the third (3rd) such Renewal Term.

ARTICLE IV

RENT

4.1 Minimum Annual Rental. Except as provided in Section 4.2, Tenant shall pay to Landlord, from June 1, 1984 (the "Initial Rental Date") until the "Rental Commencement Date" (as defined in Section 4.2 hereof), a minimum annual rental of Seventy-Five Thousand Dollars (\$75,000), payable in advance in equal monthly installments of \$6,250.00 each, on the first day of each calendar month. Commencing on the Rental Commencement Date and for the remainder of the Original Term and during each Renewal Term, Tenant shall pay to Landlord a minimum annual rental of One Hundred Twenty-Five Thousand Dollars (\$125,000), payable in advance in equal monthly installments of \$10,416.67 each, on the first day of each calendar month. In the event that the Rental Commencement Date is a date other than the first day of a calendar month, Tenant shall pay on the first day of the calendar month next following the Rental Commencement Date an

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installment of such minimum annual rental due prorated on a per diem basis with respect to such fractional calendar month and the first full monthly rental installment.

4.2 Rental Commencement Date and Opening Date.

(a) The "Rental Commencement Date" shall be the earlier of (i) the date that Tenant first opens the Tenant's Building for business (which date is referred to herein as the "Opening Date") as a retail department store or (ii) June 1, 1985. If the Leased Site (together with the "building pad", utility service and Mandatory Parking Area as described in Section 9.1 hereof) is not delivered to Tenant pursuant to the provisions of Section 9.1 hereof on or before the date which is fifteen (15) days after the "Required Delivery Date" (as therein defined), then for all purposes hereunder the Initial Rental Date and the Rental Commencement Date shall each be postponed by the number of days that elapsed between the Required Delivery Date and the Actual Delivery Date (as also defined in Section 9.1). If the Leased Site (together with the building pad, utility service and Mandatory Parking Area) is delivered to Tenant pursuant to the provisions of Section 9.1 hereof on or before the sixteenth (16th) day after the Required Delivery Date then for all purposes hereunder the Initial Rental Date and the Rental Commencement Date shall each be postponed by (i) fifteen (15) days plus (ii) twice the number of days that elapsed between and commencing upon, the sixteenth (16th) day after the Required Delivery Date and the Actual Delivery Date. Notwithstanding either of the two preceding sentences being applicable, however, payments of Rent at the rate of \$125,000 per year shall commence on the Opening Date.

(b) If Tenant fails to open the Tenant's Building for business on or prior to November 1, 1985, but is in compliance with the requirements of Section 10.1 hereof, notwithstanding anything herein to the contrary Tenant shall not be in default under this Lease, and the sole effect under this Article IV shall be that the Rental Commencement Date shall be as provided in the preceding paragraph of Section 4.2 hereof.

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4.3 Place Where Rent Paid. All Rent shall be payable to Landlord at the place provided in this Lease for the sending of notices to Landlord, or at such other place as Landlord may specify by notice to Tenant from time to time. A place once specified as the place for the payment of Rent shall be such until it shall be changed by notice by Landlord to Tenant.

4.4 Percentage Rental. In addition to the minimum annual rental, Tenant shall pay to Landlord additional rental (the "Percentage Rental") computed and payable as hereinafter set forth in this Article IV.

4.5 Percentage Rental Except for Partial Fiscal Years.

(a) Percentage Rental shall be computed for each Fiscal Year as follows:

(i) Two Percent (2%) of Gross Sales of \$14,000,000 to \$15,250,000 per Fiscal Year;

(ii) One and One-half Percent (1½%) of Gross Sales of \$15,250,000 to \$18,000,000 per Fiscal Year;

(iii) One-Half Percent (½%) of Gross Sales in excess of \$18,000,000 per Fiscal Year.

Rental paid pursuant to clauses (a), (b) and (c) above shall be due and payable within thirty-five (35) days after the end of such Fiscal Year. Tenant shall on each such payment due date deliver to Landlord an unaudited statement of Tenant's Gross Sales during such Fiscal Year which shall be certified to either by a financial officer of Tenant or by a financial officer of the division of Tenant from time to time operating the store in the Tenant's Building.

(b) Fiscal Year means the Fiscal Year used by Tenant in accordance with its usual accounting and fiscal reporting procedures which currently is a period of either fifty-two (52) or fifty-three (53) calendar weeks and is based on a usual 4-5-4

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calendar quarter (i.e., having two four-week Fiscal Months and one five week Fiscal Month in each calendar quarter) and which ends in each year on the Saturday nearest to January 31. Tenant shall have the right at any time(s) to change its Fiscal Year upon at least ninety (90) days' prior notice to Landlord, provided no such change shall reduce the amount of Percentage Rental that otherwise would have been payable to Landlord nor materially alter the due date(s) of payment of Percentage Rental.

4.6 Percentage Rental During Partial Fiscal Years. First Partial Fiscal Year means the following period if it is less than a full Fiscal Year: the period commencing with the Opening Date and ending on the day immediately prior to the first day of the first full Fiscal Year of the Lease Term. Last Partial Fiscal Year means the following period if it is less than a full Fiscal Year: the period ending on the expiration or termination date of the Lease Term and beginning on the first day of the Fiscal Year in which the termination date occurs. For the purpose of computing Percentage Rental for the First Partial Fiscal Year, the Gross Sales made in the First Partial Fiscal Year shall be added to the Gross Sales for that number of days (including Sundays and holidays) immediately following the First Partial Fiscal Year as shall be equal to the difference between the number of days (including Sundays and holidays) in the First Partial Fiscal Year and 365 (such aggregate Gross Sales are called the "First Aggregate Gross Sales"). For the purpose of computing Percentage Rental for the Last Partial Fiscal Year, the Gross Sales made in the Last Partial Fiscal Year shall be added to the Gross Sales for that number of days (including Sundays and holidays) immediately preceding the Last Partial Fiscal Year as shall be equal to the difference between the number of days (including Sundays and holidays) in the Last Partial Fiscal Year and 365 (such aggregate Gross Sales are called the "Last Aggregate Gross Sales").

The Percentage Rental payable for the First Partial Fiscal Year or the Last Partial Fiscal Year shall be the amount determined pursuant to the provisions of Section 4.5(a) based upon the Gross Sales for the period

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described in the immediately preceding paragraph of this Section 4.6 and by multiplying such percentage rental due by a fraction, the numerator of which fraction shall be the number of days in the First Partial Fiscal Year or the Last Partial Fiscal Year, respectively, and the denominator of which fraction shall be 365. The result of the foregoing being the Percentage Rental due for the First or Last Partial Fiscal Year as the case may be. Notwithstanding the foregoing, the Gross Sales for the aforesaid number of days following the First Partial Fiscal Year, and preceding the Last Partial Fiscal Year, respectively, shall also be included in the respective Fiscal Years of which those periods are otherwise a part.

Percentage Rental for the First Partial Fiscal Year shall be due and payable four hundred (400) days after the Opening Date and Percentage Rental for the Last Partial Fiscal Year shall be due and payable on the thirty-fifth (35th) day next following the end of such Last Partial Fiscal Year. The payments according to this Section 4.6 shall be accompanied by the unaudited statement of Tenant's Gross Sales during the year used to calculate the First or Last Aggregate Gross Sales, which shall be certified to either by a financial officer of Tenant or a financial officer of the division of Tenant from time to time operating a store in the Tenant's Building.

4.7 Annual Sales Reports. Within one hundred twenty (120) days after the end of each Partial Fiscal Year and each full Fiscal Year, Tenant shall furnish Landlord a statement in writing prepared by a financial officer of Tenant or by a financial officer of the division of Tenant from time to time operating a store in the Tenant's Building showing the Gross Sales during such Year, the amounts paid Landlord by way of Percentage Rental payments for such Year and the adjustments, if any, required to be made between Landlord and Tenant for such Year, to the end that, after first giving effect to all Percentage Rental payments (or Partial Fiscal Year payments, as the case may be), Landlord will receive, and Tenant will pay no more than, the amount of the Percentage Rental to which Landlord is entitled pursuant to this Article IV, and any balance of Percentage Rental due Landlord as shown by said statement shall be paid by Tenant on

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delivery of such statement and any excess or overpayment of Percentage Rental shall be a credit toward the Rent next payable, or if Tenant shall elect to receive payment of such overpayment by giving written notice thereof to Landlord, Landlord shall pay such overpayment to Tenant within thirty (30) days of receipt by Landlord of such notice. If the Lease Term has expired, the overpayments shall be paid to Tenant within thirty (30) days of receipt by Landlord of such statement. If Tenant from time to time receives audit reports of Gross Sales from the Leased Premises prepared by independent certified public accountants Tenant shall deliver a copy thereof to Landlord promptly after receipt thereof by Tenant.

4.8 Definition of Gross Sales. The term "Gross Sales" as used in this Lease shall mean the actual sales or rental price of all goods, wares and merchandise sold or rented, and the actual charges for all services performed by Tenant in or from the Tenant's Building, including telephone sales and orders taken in or from the Building, although such orders may be filled elsewhere, and including sales or rentals by (but not rent paid to Tenant for the use of Tenant's Building or a portion thereof from) assignees, sublessees, concessionaires or licensees in or from the Tenant's Building, but less and excluding therefrom:

(a) Sales and use taxes, so-called luxury taxes, consumer's excise taxes, gross receipts taxes and other similar taxes now or hereafter imposed upon the sale of merchandise or services, and whether or not such taxes are added separately to the sales price of merchandise or services and collected from customers or paid by the seller and included in the retail selling price where the component of the selling price representing such tax may be identified as being passed through or paid to the appropriate governmental authority but not taxes in the nature of taxes imposed upon the income of Tenant.

(b) Gift certificates, or like vouchers, until such time as the same shall have been converted into a sale by redemption in the Tenant's Building.

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(c) Interest, service or sales carrying charges or other charges, however denominated, paid by customers for extension of credit on sales and where not included in the merchandise sales price.

(d) Goods returned to sources or transferred to another store or warehouse owned by or affiliated with Tenant.

(e) Sales of fixtures, equipment or property which is not stock in trade and which is not in the ordinary course of Tenant's business.

(f) The price allowed on all merchandise traded in by customers for credit or the amount of credit for discounts and allowances made in lieu of acceptance thereof.

(g) The selling price of all merchandise returned by customers and accepted for full credit or the amount of discounts and allowance made thereon.

(h) Sums and credits received from insurance or defendants in the settlement of claims for loss of, or damage to, merchandise.

(i) Cash refunds made to customers in the ordinary course of business.

(j) Receipts from cafeteria for employees only.

(k) Income from coin-operated telephones.

(l) Income from vending machines maintained for the convenience of employees and not located in any selling area.

(m) Receipts from alteration services and work-room operations, shoe repair, hat repair, engraving, monogramming, pressing, cleaning, mending and similar minor auxiliary services, provided such services and operations are rendered primarily with respect to

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merchandise sold at or from the Tenant's Building and such receipts are not includable in sales under customary retail accounting procedures; and provided further, that charges for such services are not intended to be at a profit.

(n) All parcel post, freight, express or delivery charges collected from customers.

(o) All gift wrap charges to customers which are not intended to be at a profit.

(p) Any sales made by a travel bureau in the Tenant's Building, provided that there is not more than one (1) such travel bureau and that such travel bureau does not occupy more than one thousand (1,000) square feet of Floor Area in the Tenant's Building.

(q) All sales of merchandise and services to employees of Tenant at a discount.

(r) Any service charge made and collected by Tenant and turned over to its employees receiving tips and gratuities from Tenant's patrons and customers.

(s) Any sales to jobbers of goods previously offered for sale at retail, and sales in bulk to nonretail purchasers.

(t) Sales of bonds, stamps (other than stamps sold for collection purposes), governmental lottery tickets and theatre or other admission tickets (but any commission or other remuneration retained by Tenant for making such sales shall be included in Gross Sales), travelers checks, money orders, bank drafts, and other similar articles, but not excluding from the Gross Sales any life insurance premiums paid on life insurance policies sold by Tenant.

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(u) Amounts retained by credit card corporations as compensation; provided that the amounts so retained shall not be based upon more than seven and one-half percent (7½%) of the Gross Sales during any Fiscal Year (to be prorated for any Partial Fiscal Year).

Sales shall be deemed to have been made when merchandise has been shipped or delivered, and services shall be deemed to have been rendered when completed, or when such sales or services, as the case may be, have been charged against the purchaser or customer on the books of Tenant, whichever of such events shall be the first to occur. Transactions shall be included whether for cash or on credit and whether the amount thereof is collected or uncollected.

4.9 Audit Right. Tenant covenants that, for the purposes of ascertaining the amount payable to Landlord as Percentage Rental, it will keep accurate books and records of Gross Sales (which books and records shall include, without limitation, sales and occupational tax returns and pertinent sales records, including, without limitation, transactions with assignees, sublessees, concessionaires and licensees) in accordance with generally accepted accounting practices and will preserve such books and records for each Fiscal Year for at least three (3) years from the date of delivery of the Annual Sales Report pursuant to Section 4.7 hereof unless Landlord shall have theretofore asserted a claim against Tenant with respect to the Percentage Rental for such Fiscal Year, in which event such books and records shall be preserved by Tenant until resolution of the dispute. All such books and records shall be maintained at the Tenant's Building or at the office of Tenant where the sales records of its division from time to time operating the store in Tenant's Building are regularly kept.

At any time within three (3) years after an annual report of Gross Sales is submitted to Landlord, Landlord may, upon thirty (30) days' prior written notice, cause a special audit to be made of Tenant's books and records of Gross Sales for the Fiscal Year covered by such report. Such audit shall be diligently made by an independent certified public accountant

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selected by Landlord. Tenant shall have the reasonable right of approval of such accountant if it is other than a nationally recognized accounting firm. So long as Melvin Simon & Associates, Inc. owns or controls, directly or indirectly, the Leased Site, the accountant selected by Landlord need be neither an independent certified public accountant nor approved by Tenant. In the event such audit shows that such report of Gross Sales does not contain an understatement of Gross Sales in excess of two percent (2.00%) of the actual Gross Sales made during the period covered by such report, then the entire fees and expenses charged by the certified public accountant making the audit for Landlord shall be paid by Landlord. In the event such audit shows that such report of Gross Sales shows an understatement of Gross Sales greater than two percent (2.00%) and less than three percent (3.00%) of the actual Gross Sales made during the period covered by such report, then the entire fees and expenses charged by the certified public accountant making the audit for Landlord shall be paid one-half (½) each by Landlord and Tenant. In the event such audit shows that such report of Gross Sales shows an understatement of Gross Sales of three percent (3%) or more of the actual Gross Sales made during the period covered by such report, then the entire fees and expenses charged by the certified public accountant making the audit for Landlord shall be paid by Tenant. In the event the audit shows the Percentage Rental paid by Tenant to be greater than the amount of such rental actually due, the amount of such excess shall be credited by Landlord to the next accruing monthly installment(s) of Rent, or, if Tenant so elects by giving written notice thereof to Landlord, refunded to Tenant within thirty (30) days of receipt by Landlord of such notice, or, if paid with respect to the last Fiscal Year, refunded to Tenant within thirty (30) days after completion of such audit. In the event the audit shows the Percentage Rental paid by Tenant to be less than the amount of such rental actually due, Tenant shall pay to Landlord the amount of the deficiency within thirty (30) days after completion of such audit.

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Landlord agrees that any information which it or any accountant or representative selected by it may receive pursuant to the provisions of this Lease as to the business and affairs of Tenant, its assignees, sub-lessees, concessionaires and licensees shall be considered as confidential and shall not be disclosed to any other person or entity, except: (a) as may be required by law or (b) to purchasers or mortgagees of the Leased Site if Tenant shall so request.

4.10 Rent without Setoff or Counterclaim. Landlord shall not be called upon to make any expenditure for the maintenance, repair or preservation of the Tenant's Building or the Leased Site. Except as otherwise expressly provided herein, there shall be no deduction or setoff of any nature whatsoever from Rent payable under this Lease.

ARTICLE V

COMMON AREA

5.1 Maintenance. Landlord covenants and agrees with Tenant that during such time as Tenant operates or causes to be operated a retail store or other retail uses as may be permitted by this Lease in the Tenant's Building, Landlord will maintain or cause to be maintained the Common Area, and all parts thereof, in good order, condition and repair, keeping the same in a clean and sanitary condition, in accordance with the standards of first-class strip shopping center operation, including without limitation, the following:

- (i) all hard-surfaced portions of the Common Area shall be swept and all snow accumulations removed at intervals sufficient to maintain the same in a clean, safe and passable condition before the retail stores within the Burbank Site shall open for daily business with the public and, as to snow, from time to time during each day;
- (ii) all sidewalks shall be swept and washed at intervals sufficient to maintain the same in a clean

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- condition and all surface waters shall be promptly removed;
- (iii) all public trash and rubbish containers located in the Common Areas for the use of the public shall be emptied at least daily or more often as may be required and shall be washed at intervals sufficient to maintain the same in a clean condition;
 - (iv) all landscaping shall be properly maintained, including irrigation and removal of weeds and foreign matter;
 - (v) all hard-surfaced markings shall be inspected at regular intervals and promptly repainted as the same shall become unsightly or indistinct from wear and tear or other cause;
 - (vi) all sewer catch basins shall be cleaned on a schedule sufficient to maintain all sewer lines in a free-flowing condition; and all mechanical equipment which is a part of storm and sanitary sewer facilities shall be regularly inspected and kept in proper working order;
 - (vii) all paved surfaces shall be inspected at regular intervals and maintained in a good condition;
 - (viii) all utility facilities servicing the Common Areas, including, but not by way of limitation, hose bibs, standpipes, and domestic water lines, shall be inspected at regular intervals and promptly repaired or replaced, as the occasion may require, upon the occurrence of any defect or malfunction;
 - (ix) all Common Areas amenities, benches and institutional, directional, traffic and other signs, shall be inspected at regular intervals, and maintained in clean and attractive surface condition; and

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- (x) all lamps on lighting standards or otherwise shall be inspected at regular intervals and all lamps shall be promptly replaced when no longer properly functioning.

Landlord also agrees to keep all Parking Areas and walkways on the Burbank Site well lighted (providing a minimum lighting intensity of one footcandle maintained at grade level) during all times that the Tenant's Building or businesses occupying at least a majority of the Floor Area of buildings on the Burbank Site are open for business and for reasonable periods before and for at least 45 minutes after such business hours; and to install, maintain and employ all necessary and adequate signs and markings to designate all such Parking Areas and control the flow of traffic. Landlord agrees that it will not at any time consent to (where consent of Landlord is required), impose or collect any charge for parking in the parking areas located on the Total Property (except in the event, and to the extent, it may be required to do so by governmental authorities).

5.2 Tenant's Right to Use. Landlord does hereby declare and grant a non-exclusive easement to Tenant, its successors and assigns, during the Lease Term, for ingress and egress and the passage of pedestrian and motor vehicle traffic over and upon the Common Areas in such areas as are set aside by Landlord on the Plot Plan for ingress, egress and the passage of pedestrian and motor vehicle traffic, and for parking of vehicles (except service and delivery trucks) on that portion of the Common Area shown on the Plot Plan as "Parking," the said easement for ingress and egress being for the use and benefit of the Tenant, its agents, customers, licensees, invitees, and the said easement for parking vehicles being for the use and benefit of customers of the Tenant. Landlord hereby further grants to Tenant, its employees, agents, customers and invitees, pursuant to and to the extent of the rights granted to Landlord in the Operating Agreement, the nonexclusive right to use the Cub Foods Site for ingress, egress, passage and parking, subject to all of the terms, covenants and conditions contained in the Operating Agreement.

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5.3 Tenant's Maintenance Payments. Commencing on the Opening Date and continuing thereafter during the Lease Term and so long as Landlord is operating and maintaining the Common Area in accordance with the requirements of this Lease, Tenant agrees to pay its pro rata share of the cost of maintaining the Common Area on the Burbank Site which pro rata share shall be a fraction having as its numerator the Floor Area of the Tenant's Building and having as its denominator the total of the Floor Area of the Tenant's Building and of Landlord's Floor Area provided, however, Tenant's pro rata share shall be no greater than the cost of maintaining a parcel of sufficient size to accommodate the Tenant's Building and a parking ratio of 5.0 automobiles per 1,000 square feet of Floor Area within Tenant's Building with necessary entrances and exits to the Parking Area. In the event the Opening Date occurs on a date prior to the opening of 30,000 square feet of Landlord's Floor Area (Landlord having no duty or obligation under this Section 5.3 to construct and develop any amount of Floor Area on the Burbank Site), Tenant's pro rata share shall be no greater than the cost of maintaining a parcel of sufficient size to accommodate the Tenant's Building and a parking ratio of 4.0 automobiles per 1,000 square feet of Floor Area within Tenant's Building with necessary entrances and exits (such parcel or area is referred to in this Lease as the "Pre-Opening Parcel"). The Tenant's maintenance payments shall not include any component of the maintenance costs for the Cub Foods Site except from and after the time that the Landlord purchases the Cub Foods Site and operates the Total Property under common ownership and for the common benefit of all tenants on the Total Property. Thereafter, the maintenance payments required of the Tenant hereunder shall include those costs and expenses required for the maintenance of the Common Areas on the Total Property. At all times during the term of this Lease any payments required to be made or made by Cub Foods or any occupant of other portions of the Total Property including the out parcel areas other than occupants of any portion of the Total Property who are included in the computation of Landlord's Floor Area (any theater being deemed included therein) toward the Common

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Area maintenance cost shall be credited against the Common Area maintenance cost of Landlord prior to determination of Tenant's maintenance payments and Tenant's proportionate share thereof. Occupants of the "out parcel area" shall be deemed to contribute a pro rata share of the costs of maintaining the storm water retention area and the road ways within the Burbank Site whether or not such occupants are actually required to pay such pro rata share. "The costs incurred by Landlord to maintain the parking area on the "out parcel area" as shown on the Plot Plan shall not be included in the cost of maintaining the Common Area for which Tenant is to pay a pro rata share. Moreover, the Floor Area of the out parcel areas shall not be included in the calculation of the Landlord's Floor Area used to determine Tenant's pro rata share of the Common Area maintenance costs.

5.4 Escalation of Maintenance Payments. The maintenance payments as provided in this Article V, shall be subject to increase not more than once each Fiscal Year (commencing with the second full Fiscal Year). Tenant's maintenance payments may be based upon the Landlord's estimate of the cost to maintain the Common Areas in accordance with the terms of this Lease relying upon the experience of the Landlord for the preceding year together with Landlord's reasonable estimate of the anticipated increase in cost to maintain the Common Areas for the then current year. At the time the Landlord increases the monthly maintenance payments to be paid by the Tenant, the Landlord shall provide to Tenant reasonable justification for and a detailed explanation of the basis for the estimate of the increased maintenance payments. When the actual costs for such maintenance are determined, Landlord shall furnish Tenant a statement in writing certified by a financial officer of Landlord, showing for the immediately preceding calendar year Landlord's actual costs for any maintenance and an adjustment will be effected between Landlord and Tenant to reflect the actual costs for the preceding year.

Landlord covenants that, for the purposes of ascertaining the amount of any increase in the maintenance payments, it will keep accurate books and records in accordance with generally accepted accounting

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practices and will preserve such books and records for each calendar year for at least three (3) years unless Tenant shall have theretofore asserted a claim against Landlord with respect to any such increase for such Fiscal Year, in which event such books and records shall be preserved by Landlord until resolution of the dispute. All such books and records shall be maintained at the Center or at Landlord's principal office.

At any time within three (3) years after a report of increase in maintenance costs is submitted to Tenant, Tenant may, upon thirty (30) days' prior written notice, cause a special audit to be made of Landlord's records of its maintenance costs for the calendar year covered by such report. Such audit may be initially made by an accountant employee of Tenant.

Tenant shall also have the right to have Landlord's maintenance cost records audited, on a diligent basis, by an independent certified public accountant selected by Tenant. Landlord shall have the reasonable right of approval of such accountant if it is other than a nationally recognized accounting firm. In the event such audit shows that such report of maintenance costs increase does not contain an overstatement of such increase in excess of three percent (3%) of the actual maintenance costs made during the period covered by such report, then the entire fees and expenses charged by the certified public accountant making the audit for Tenant shall be paid by Tenant; otherwise, such fees and expenses shall be paid by Landlord. In the event the audit shows the increase in maintenance payments paid by Tenant to be greater than the amount of such payment actually due, the amount of such excess shall be credited by Landlord to the next accruing monthly installment of Rent, or, if paid with respect to the last Fiscal Year (or last Partial Fiscal Year), refunded to Tenant within thirty (30) days after completion of such audit. In the event the audit shows the increase in maintenance payment paid by Tenant to be less than the amount of such payment actually due, Tenant shall pay to Landlord the amount of the deficiency within thirty (30) days after completion of such audit. In either event, future amounts payable by Tenant pursuant to this Article V shall be adjusted in accordance with the audit.

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5.5 Monthly Payments. Such amounts so payable by Tenant pursuant to this Article V shall be payable in twelve (12) monthly installments. Each such installment shall be due and payable monthly in advance on the first day of each month during the Lease Term commencing with the Opening Date. If such amounts are increased pursuant to Section 5.4 hereof and the increase (the "Maintenance Increase") is made other than on the first day of any Fiscal Year, then commencing on the first day of the first month after which the Maintenance Increase is made, each monthly payment (other than the first such monthly payment) shall be increased by an amount equal to one-twelfth (1/12th) of the Maintenance Increase and the first such monthly payment shall be increased by (a) one-twelfth (1/12th) of the Maintenance Increase multiplied by (b) the number of calendar months between the first day of such Fiscal Year to and including the first month after the Maintenance Increase is made.

5.6 Determination of Maintenance Costs. The maintenance and other costs provided for in Section 5.3 hereof shall be those maintenance costs paid or incurred by Landlord in maintenance performed by, or on behalf of, Landlord as determined in accordance with generally accepted accounting principles and shall exclude (a) depreciation (other than depreciation on machinery and equipment employed in maintenance); (b) any costs which are properly chargeable in accordance with generally accepted accounting practices to capital improvements as distinguished from operating expenses; (c) interest on or amortization of debt; (d) casualty insurance maintained by Landlord; and (e) the Landlord's costs for the Impositions. Landlord may add to such maintenance and other costs a management fee of four percent (4.0%) of the amount of such costs, which fee shall constitute a part of such costs for the purposes of this Lease.

5.7 Election Subsequent to Transfer by Original Landlord. Effective upon the sale or other conveyance of the Burbank Site to an entity over which Melvin Simon & Associates, Inc., does not have direct or indirect ownership or control, any increase in Tenant's portion of the maintenance payments for any fiscal year subsequent to the transfer as

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above described shall be limited to the greater of ten percent (10%) of the maintenance payment for the preceding Fiscal Year or the percentage of increase in the average of the Consumer Price Index for each fiscal year as compared to the next following fiscal year. The term "Consumer Price Index" shall mean the Consumer Price Index -- Chicago, Illinois-Urban Wage Earners and Clerical Workers (all items) (1967 = 100) prepared by the Bureau of Labor Statistics of the United States Department of Labor. In the event that such Consumer Price Index shall no longer be published with a base year of 1967, the Landlord shall compute by reference to data available from such Bureau of Labor Statistics the actual percentage increase from consumer prices during the period or periods in question. If said Consumer Price Index shall cease to be published, the Landlord shall use the most comparable index published by the United States Government. If the maintenance payments exceed the foregoing limitations then, in lieu of making further maintenance payments, Tenant may elect to perform the maintenance obligations set forth in this Lease on that portion of the Center labeled as "Optional Maintenance Area" on the Plot Plan attached hereto.

5.8 Withdrawal From Common Area Maintenance. Tenant shall have the right, at any time during the Lease Term to withdraw from participation in Landlord's program of maintenance of the Common Areas, by notice in writing served upon Landlord not less than ninety (90) days prior to the date of withdrawal. In the event that Tenant does so elect to withdraw it shall no longer be required to pay its share of the cost of maintaining the Common Areas except for those costs which are not coverable from the overall Common Area operations (by way of illustration lighting of the Parking Lot unless separate meters are installed (which are not required by this Lease)) and shall be solely responsible thereafter for maintenance and repair of the Common Areas located in the Optional Maintenance Area designated on the Plot Plan and shall maintain such area in accordance with the provisions of Section 5.1 hereof. Tenant may elect upon giving Landlord written notice of such election not less than sixty (60) days prior to the desired effective date of such election, to rejoin or recommence its

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participation in Landlord's Common Area maintenance program in which case Tenant shall once again be responsible for its share of the costs of maintaining the Common Areas and no longer responsible for the maintenance and repair of any portion of the Common Area. Provided, however, that the Tenant may not withdraw from participation in Landlord's common area maintenance program so long as Melvin Simon & Associates, Inc. owns or controls, directly or indirectly, the Center or if there has been an assignment of this Lease or a subletting of the entire Tenant's Building by Federated Department Stores to any assignee or sublessee who is not a Successor Corporation as such term is defined in Section 16.1 hereof.

5.9 Landlord's Right to Perform Common Area Maintenance On Optional Maintenance Area. In the event the Tenant has withdrawn from participation in Landlord's program of maintenance of the Common Areas pursuant to Section 5.8 hereof and fails thereafter to maintain the Optional Maintenance Area designated on the Plot Plan in accordance with the criteria, provisions and standards of Section 5.1 hereof, the Landlord may elect, upon giving Tenant written notice not less than fifteen (15) days prior to the desired effective date of such election, (except in an emergency situation for which notice shall be given in the most practicable means available and Landlord may commence the required maintenance activities without the passage of a notice period) to perform the Common Area maintenance in accordance with the provisions of Section 5.1 on the Optional Maintenance Area if within said fifteen (15) day period the Tenant does not commence and proceed diligently to remedy such failure and comply with the maintenance standards set forth in Section 5.1 hereof. The cost and expense to the Landlord for performing the maintenance on the Optional Maintenance Area shall be payable by Tenant on the first day of each month of the lease term following the submission of an invoice for such expense from the Landlord to the Tenant.

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ARTICLE VI

TAXES, ASSESSMENTS AND OTHER IMPOSITIONS

6.0 Proration of Impositions and Commencement of Tenant Obligations. The term "Impositions" shall mean any real estate taxes or other ad valorem taxes on tangible property, assessments and other governmental charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, including, but not limited to, assessments for public improvements or benefits on the Burbank Site including the Common Areas. Any Impositions payable by Tenant pursuant to this Article VI which relates to a fiscal period of the taxing authority, a part of which period is included within the Lease Term and a part of which is included in a period of time prior to commencement of the Lease Term or after the termination of the Lease Term (whether or not such Imposition shall be assessed, levied, confirmed, imposed or become a lien upon the Leased Site and the improvements thereon, or shall become payable during the Lease Term) shall be adjusted as between Landlord and Tenant, so that Landlord shall pay that proportion of such Imposition which that part of such fiscal period not included in the Lease Term bears to such fiscal period, and Tenant shall pay the remainder thereof. The obligation of Tenant for Impositions relating to the Leased Site and the Tenant's Building shall commence with the first to occur of (i) the Opening Date or (ii) the Initial Rental Date. Tenant's obligation for Impositions relating to the Center (but not the Leased Site or Tenant's Building) shall commence as provided above but shall be limited however, in the event such date occurs prior to the opening of 30,000 square feet of Landlord's Floor Area (including only one half of the Floor Area of a theater) so that Tenant shall only pay a pro rata share of the Impositions relating to Common Areas on the Pre-Opening Parcel and a proportionate share based upon a parking ratio of 4.0 automobiles per 1000 square feet of Floor Area within Tenant's Building of the Impositions on roadways within the Burbank Site and the storm water retention area until 30,000 square feet (including only one-half of the Floor Area of a theater) is built and thereafter pro rata.

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Landlord shall have no obligation or duty under this Article VI to construct and develop any amount of Floor Area on the Burbank Site. Occupants of the "out parcel area" shall be deemed to contribute to a pro rata share of the Impositions on the storm water retention area and the road ways within the Burbank Site whether or not such occupants are actually required to pay such pro rata share.

6.1 Rent Tax. If at any time during the Lease Term a tax or excise on rents or income or other tax however described (the "Rent Tax") is levied or assessed by the United States of America, the State of Illinois, or any political subdivision of either, on account of the rents hereunder or the interest of Landlord under this Lease, and if such Rent Tax is in lieu of or as a substitute for, in whole or in part, real estate taxes or other ad valorem taxes, Tenant covenants to reimburse Landlord on account thereof to the extent herein provided. In no event shall Tenant be obligated to pay for any year any greater amount by way of such Rent Tax than would have been payable by Landlord had the rentals paid under this Lease upon which such Rent Tax is imposed been the sole taxable income of Landlord for the year in question or to pay or to reimburse Landlord for any tax of any kind assessed against Landlord on account of any such Rent Tax reimbursement.

Nothing in this Lease shall require Tenant to pay any franchise, estate, inheritance, succession, capital levy or transfer tax of Landlord, or any income, excess profits or revenue tax or, except to the extent provided in this Section 6.1, any other tax, assessment, charge or levy upon the rent payable by Tenant under this Lease.

6.2 Tax Division. Landlord shall seek to cause (but without any liability, obligation or detriment to Landlord) (a) the Leased Site and/or the Tenant's Building and (b) the remainder of the Burbank Site and all improvements thereon, to be separately assessed and taxed. Tenant shall fully cooperate with Landlord in effecting such separate assessment.

6.3 Impositions Payable By Tenant if Tax Division Effected. If the tax division provided for in Section 6.2 hereof is effected, Tenant agrees to pay or cause to be paid in the name of Landlord as additional

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rent, before any fine, penalty, interest or cost is added thereto for the nonpayment thereof (the "Tax Delinquency Date"), Impositions which are assessed, levied, confirmed, imposed or become a lien upon the Leased Site, the leasehold, the Tenant's Building, or any or all of them, except as otherwise provided for in this Section 6.3, commencing as provided in Section 6.0 hereof.

If by law any such Imposition is payable or may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), Tenant may pay the same (and any accrued interest on the unpaid balance of such Imposition) in installments as the same respectively become due and before any fine, penalty, interest or cost is added thereto for the nonpayment of any such installment and interest.

In addition, during the term of this Lease, but commencing as provided in Section 6.0 hereof, Tenant shall pay to Landlord as additional rent a pro rata share of the Impositions on all Common Area and all improvements on such Common Area, which pro rata share shall be a fraction having as its numerator the Floor Area of the Tenant's Building and having as its denominator the total of the Floor Area of the Tenant's Building and of the Floor Area (subject to adjustment if Landlord increases the Floor Area or acquires title to the entire Total Property) of all other buildings in the Center. Tenant's pro rata share as to such Common Area Impositions shall be no greater than the Impositions on a parcel of sufficient size to accommodate the Tenant's Building and a parking ratio of 5.0 automobiles per 1,000 square feet of Floor Area within Tenant's Building with necessary vehicular entrances and exits thereto. Such payments to Landlord shall be made within fifteen (15) days of request therefor given at any time(s) after any Imposition on the Center is determinable but not more than thirty (30) days before Landlord will pay such Imposition. Tenant shall be entitled to a proportionate credit for any discount obtained by Landlord if Tenant has paid its share of such Impositions within the discount period.

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6.4 Impositions Payable by Tenant if Tax Division is not Effected.

If a tax division is not effected so that the Leased Site is not separately taxed and assessed, Tenant shall pay to Landlord within fifteen (15) days of request therefor submitted with copies of tax bills and the calculations to determine Tenant's portion (given not more than thirty (30) days before Landlord will pay such Imposition) as additional rent a pro rata portion of the Impositions on the Burbank Site and all improvements thereon, and all Common Areas, (a) based upon the tax assessor's records of the Impositions on the Leased Site and the improvements thereon, and a pro rata share of the Common Area land and improvements, which pro rata share shall be a fraction having as its numerator the total of the Floor Area of the Tenant's Building and having as its denominator the total of the Floor Area of the Tenant's Building and the Floor Area of all other buildings in the Center (b) if such records are not available or if such records are not accessible or do not separately assess the Tenant's Building, the Landlord's Building or the Common Areas, then Tenant's portion shall be equitably based upon the relative ages, values and respective Floor Areas and the Common Area Improvements, which pro rata share shall be a fraction having as its numerator the Floor Area of the Tenant's Building and having as its denominator the total of the Floor Area of the Tenant's Building and of Floor Area of all other buildings in the Center (but Tenant's pro rata share as to such Common Area Impositions shall be no greater than if based upon a parcel of sufficient size to accommodate the Tenant's Building and a parking ratio of 5.0 automobiles per 1,000 square feet of Floor Area within Tenant's Building with necessary entrances and exits).

If Landlord and Tenant shall be unable to agree upon a fair allocation of the Impositions between Landlord and Tenant pursuant to this Section 6.3, such allocation shall be determined by arbitration pursuant to Section 21.24 of this Lease. Provided Tenant has paid Landlord Tenant's portion thereof, determinable as aforesaid, Landlord shall pay all Impositions on the Burbank Site prior to the Tax Delinquency Date.

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6.5 Landlord's Right to Pay Impositions on Behalf of Tenant. In the event Tenant shall fail, refuse or neglect to make any of the payments in this Article VI required, then Landlord may, at its option, pay the same. The amount or amounts of money so paid, including reasonable attorneys' fees and expenses which are reasonably incurred because of, or in connection with, such payments, together with interest on all of such amounts from the date(s) of payment(s) at the Default Interest Rate shall be repaid by Tenant to Landlord upon the demand of Landlord; and the repayment thereof may be collected or enforced by Landlord in the same manner as though said amount were an installment of rent specifically required by the terms of this Lease to be paid by Tenant unto Landlord upon the day when Landlord demands repayment thereof from Tenant.

6.6 Tenant's Right to Pay Impositions on Behalf of Landlord. In the event Landlord shall fail, refuse or neglect to make any of the payments in this Article VI required to be made by Landlord, then Tenant may, at its option, pay the same. The amount or amounts of money so paid, including reasonable attorneys' fees and expenses which are reasonably incurred because of, or in connection with, such payments, together with interest on all of such amounts from the date(s) of payment(s) at the Default Interest Rate shall be repaid by Landlord to Tenant upon the demand of Tenant; and the amount thereof may be setoff by Tenant against the Rent in accordance with the provisions of Section 18.6 hereof.

6.7 Evidence of Payment. Subject to Section 6.9, each party shall furnish to the other party, not more than thirty (30) days after the Tax Delinquency Date, as to any Imposition payable by such furnishing party pursuant to this Article VI, official receipts of the appropriate taxing authority, photocopies thereof or other proof satisfactory to the other party, evidencing the payment thereof.

6.8 Contests. Either party hereto shall have the right to contest the amount or validity of any Imposition payable by such party on its Site pursuant to this Article VI by appropriate administrative or legal proceedings, but this shall not be construed in any way as modifying either of

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such party's covenants to pay such Impositions at the time and in the manner as in this Article VI provided unless the administrative or legal proceedings shall operate to prevent both the collection of the Imposition so contested and the sale of any portion of the Burbank Site or the improvement thereon to satisfy the same. The other party agrees to cooperate reasonably with the contesting party in any such contest but without expense to the cooperating party except as provided below.

Either party shall have the right to institute contest proceedings relative to the Common Area and, if a tax division is not obtained pursuant to Section 5.2 hereof, the Burbank Site. Should either party institute proceedings to contest the validity or the amount of any Imposition levied against the exterior Common Area (or the Burbank Site if a tax division is not obtained as aforesaid), the other party shall cooperate in such proceedings. The parties shall share (on the same pro rata basis as the parties share in the payment of the imposition being contested) the costs of such contest (each party shall pay its share of the costs on demand) and additional Impositions payable by reason of such contest and any benefits received by reason of such contest; provided, however, either party may elect not to share in such costs of such contest by notice to the other party, in which event the party advancing such costs shall have the right, on a first priority basis, to recover such costs (plus interest thereon at the Default Interest Rate from the date of each advance) from any benefits received from such contest.

Notwithstanding the foregoing, Tenant shall not have the right to contest the amount or validity of any ad valorem Imposition or the annual assessments for the storm water retention ponds except as provided below, but may contest any other assessment for improvements not located on the Burbank Site. Tenant may contest the amount or validity of any Imposition when the bonds issued pursuant to the City of Burbank Ordinance No. 31-11-74-83 entitled AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$1.85 MILLION TAX INCREMENT ALLOCATION BONDS, OLD POSTAL SITE DISTRICT REDEVELOPMENT PROJECT AREA, SERIES A, OF

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THE CITY OF BURBANK, COOK COUNTY, ILLINOIS, have been paid in full.

ARTICLE VII

INDEMNIFICATION AND LIABILITY INSURANCE

7.1 Tenant's Indemnification. Tenant covenants and agrees with Landlord that during the entire Lease Term, Tenant will indemnify and save harmless Landlord, from and against any and all claims, actions, damages, liability and expense (including, without limitation, reasonable attorneys' fees) in connection with the loss of life, personal injury or damage to property, or any of them, in, on or about the Leased Site, the Tenant's Building, the Center or the Total Property occasioned wholly or in part by any act or omission of Tenant, its sublessees, licensees and concessionaires and its and their agents, contractors or employees, unless the act or omission of Landlord, its agents, contractors or employees shall contribute thereto.

7.2 Landlord's Indemnification. Landlord covenants and agrees with Tenant that commencing with the delivery of possession to Tenant of the Leased Site and during the entire Lease Term, Landlord will indemnify and save harmless Tenant, from and against any and all claims, actions, damages, liability and expense (including, without limitation, reasonable attorneys' fees) in connection with the loss of life, personal injury or damage to property, or any of them, in, on or about the Leased Site, the Tenant's Building, the Center or the Total Property occasioned wholly or in part by any act or omission of Landlord or its tenants, and its and their agents, contractors or employees unless the act or omission of Tenant, its agents, contractors or employees shall contribute thereto. Landlord shall further indemnify Tenant from any cost, expense or damages to property of Tenant or Tenant's Building from the existence, repair, maintenance, replacement, or damage caused by or arising from the utility lines lying beneath the Leased Site.

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7.3 Waiver of Indemnities. Each party waives as against the other party any and all right of recovery under the foregoing Sections of this Article VII (a) for any loss of or damage to property resulting from fire or perils included in the casualty insurance required to be carried by the waiving party pursuant to Article VIII hereof (and whether or not such insurance is in effect or a party elects to self-insure as permitted in this Lease) and (b) for any personal injury or death or property loss or damage covered by joint public liability insurance in effect pursuant to the Operating Agreement.

7.4 Tenant's Liability Insurance. Tenant covenants and agrees with Landlord that commencing with the delivery of possession to Tenant of the Leased Site and continuously thereafter during the entire Lease Term, Tenant will cause to be written and maintained in full force and effect at its own cost and expense, a policy of insurance in the form generally known as comprehensive general liability insurance insuring Tenant (and naming Landlord as an additional insured) against any and all claims and demands made by any person or persons whatsoever for injuries or death or property damage received or occurring in connection with the Leased Site or the Tenant's Building or for any other risk insured against by such policy. Such policy shall be written with a single limit of not less than Five Million Dollars (\$5,000,000). If Federated Department Stores, Inc., or a Successor Corporation is the tenant hereunder and provides self insurance in accordance with the terms of this Lease then the policy may be written with a single limit of not less than Two Million Dollars (\$2,000,000). Such insurance shall include contractual coverage for the indemnities provided for in this Lease.

7.5 Landlord's Liability Insurance. Landlord covenants and agrees with Tenant that commencing with delivery of possession to Tenant of the Leased Site and continuously thereafter during the entire Lease Term, Landlord will cause to be written at its own cost and expense, a policy or policies of insurance in the form generally known as comprehensive general liability insurance insuring Landlord (and naming Tenant as an additional insured) against any and all claims and demands made by any

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person or persons whomsoever for injuries or death or property damage received or occurring in connection with the Center or for any other risk insured against by such policies. Such policy shall be written with a single limit of not less than Five Million Dollars (\$5,000,000). Such insurance shall include contractual liability coverage for the indemnities provided for in this Lease including without limitation the damages that may arise from the existence of the utility lines beneath the Leased Site for which Landlord is responsible as provided in Section 14.3.

7.6 Joint Public Liability Insurance. Nothing in this Lease shall affect any obligations under the Operating Agreement to maintain joint public liability insurance in effect.

ARTICLE VIII

CASUALTY INSURANCE AND DAMAGE OR DESTRUCTION

8.1 Tenant's Insurance. Tenant covenants and agrees with Landlord that Tenant will at all times during the Lease Term keep the Tenant's Building insured in good and responsible insurance companies for protection against all loss or damage to the Tenant's Building by fire, windstorm, hail, explosion, damage from aircraft and vehicles and smoke damage, and such other risks as are from time to time included in "all risk" endorsements in Cook County, Illinois, in an amount at least sufficient to avoid the effects of the coinsurance provisions of the policies and in an amount not less than ninety percent (90%) of the actual replacement cost of the Tenant's Building (without deduction for depreciation, but excluding foundation and excavation costs and costs of underground flues, pipes and drains). Provided, however, during such period as Tenant is either Federated Department Stores, Inc. or a Successor Corporation, the endorsement to the foregoing policy may be an "extended coverage" endorsement rather than an "all risk" endorsement. So long as Tenant shall have the right to self-insure pursuant to Section 20.3 hereof, it shall have the right to select its own deductible, but Tenant shall, nevertheless, advise the Landlord of the amount of the deductible upon the request of the Landlord. Any deductible contained in Tenant's insurance coverage

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shall be borne by Tenant. Landlord and its mortgagees shall be additional insureds on such insurance coverage as their interests may appear.

8.2 Builder's Risk Coverage. From the inception of any construction work which Landlord or Tenant may effect on the Leased Site through the completion of such work, and as often as Tenant may construct the Tenant's Building or make a substantial alteration to the Tenant's Building, the party performing such work or causing such work to be performed will cause builder's risk insurance to be in full force and effect, which insurance shall be in compliance with the provisions of Section 8.1 hereof, as such Section relates to the additional insureds, the nature and minimum amount insured by such coverage.

8.3 Mandatory Rebuilding. If the Tenant's Building shall be damaged or destroyed by fire or other casualty at any time(s) during the first one hundred eight (108) full calendar month period of the Original Term following the Opening Date, or during the first two and one-half (2-½) year period of any Renewal Term (either of such periods of the Original Term or a Renewal Term being hereinafter called the "Mandatory Rebuilding Period"), Tenant shall rebuild and replace or repair the Tenant's Building to, at Tenant's option, not less than eighty percent (80%) of the Tenant's Floor Area as existed prior to the fire or other casualty, reserving to Tenant the right to construct the remaining twenty percent (20%) of Floor Area at any time while this Lease is in effect, but in any event to the same architectural style and the same quality of construction as originally constructed.

If at any time after the Mandatory Rebuilding Period and prior to the last twelve (12) months of the Lease Term, the Tenant's Building shall be destroyed or so damaged by fire or other casualty that the cost of restoration thereof shall not exceed twenty-five percent (25%) of the replacement value thereof immediately prior to such damage, then Tenant shall rebuild and replace or repair the Tenant's Building but in any event to the same architectural style and the same quality of construction as originally constructed.

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8.4 Optional Rebuilding. (a) If the Tenant does not self-insure and if at any time (i) after the Mandatory Rebuilding Period the Tenant's Building shall be destroyed or so damaged by fire or other casualty that the cost of restoration thereof shall exceed twenty-five per cent (25%) of the replacement value thereof immediately prior to such damage, or (ii) during the last twelve (12) months of the Lease Term the Tenant's Building shall be materially damaged or destroyed by fire or other casualty (such damage or destruction being not less than twenty-five percent (25%) of the replacement value thereof), then Tenant shall have the option whether or not to rebuild or restore the Tenant's Building, which option shall be evidenced by notice to Landlord within sixty (60) days after such damage or destruction which notice if given during the last twelve months of the Lease Term or during a Renewal Term shall constitute an exercise of the next applicable option to extend the Lease as provided in Section 3.2 hereof if Tenant has the right to exercise the same (other than for the requirement of notice given at least one Fiscal Year prior to the expiration of the term). If Tenant does not elect to rebuild, this Lease shall cease and come to an end ten (10) days from the giving of such notice with the same force and effect as if such date were the date herein fixed for the expiration of the Lease Term and Rent and other charges shall be apportioned and paid to the date of such expiration and at Landlord's election, Tenant shall promptly raze the Tenant's Building (or damaged portion thereof as may be designated by the Landlord), clear away all debris and restore the Leased Site to a sightly condition. The loss from such damage (except for the portion thereof, if any, covering Trade Fixtures, and except for the portion thereof, if any, used to pay the cost of any razing and restoration performed by Tenant, which portions shall be paid to Tenant) shall be adjusted with the insurance company or companies solely by Landlord and the entire insurance proceeds for such damage (except for such portions thereof, if any, covering Trade Fixtures or costs of razing or restoration performed by Tenant, which portions shall be paid to Tenant) shall be paid to Landlord. If Tenant does not serve any such notice within such 60-day

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period, Tenant shall be deemed to have elected not to rebuild, and this lease shall come to an end seventy (70) days after such damage or destruction.

(b) If Tenant elects to self-insure for the type of casualty that damaged or destroyed the Tenant Building and at any time (i) after the Mandatory Rebuilding Period, the Tenant's Building shall be destroyed or so damaged by fire or other casualty that the cost of restoration thereof shall exceed forty percent (40%) of the replacement value thereof as measured immediately prior to such damage, or (ii) during the last twelve (12) months of the Lease Term the Tenant's Building shall be materially damaged or destroyed by fire or other casualty (such damage or destruction being not less than twenty-five percent (25%) of the replacement value thereof), then Tenant shall have the option whether or not to rebuild or restore the Tenant's Building, which option shall be evidenced by notice to Landlord within sixty (60) days after such damage or destruction which notice if given during the last twelve months of the Lease Term or during a Renewal Term shall constitute an exercise of the next applicable option to extend the Lease as provided in Section 3.2 hereof if Tenant has the right to exercise the same (other than for the requirement of notice given at least one Fiscal Year prior for the expiration of the term). If Tenant does not elect to rebuild, this Lease shall cease and come to an end ten (10) days from the giving of such notice with the same force and effect as if such date were the date herein fixed for the expiration of the Lease Term and Rent and other charges shall be apportioned and paid to the date of such expiration and at Landlord's election, Tenant shall promptly raze the Tenant's Building, (or the damaged portion thereof as shall be designated by the Landlord) clear away all debris and restore the Leased Site to a slightly condition. If Tenant does not serve any such notice within such 60-day period, Tenant shall be deemed to have elected not to rebuild, and this lease shall come to an end seventy (70) days after such damage or destruction.

8.5 Rebuilding Period. If Tenant is required to rebuild or repair the Tenant's Building pursuant to Section 8.3 hereof or elects to rebuild or repair the Tenant's Building pursuant to Section 8.4 hereof,

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such rebuilding or repair shall be promptly commenced and pursued diligently to completion and shall in any event be completed within twelve (12) months from the time when the damage or destruction occurred. The Tenant's Building shall reopen for business (if Tenant is required under this Lease to be operating a department store in the building when such restoration is completed) or ready for occupancy (if Tenant is not so required to be operating a department store) upon completion of such rebuilding or repair. If the Tenant ceases operations during the rebuilding and such occurs during the period of the Operating Covenant, then the Operating Covenant shall be extended for the period of time of such cessation.

8.6 Use of Insurance Proceeds. Subject to the provisions of the second paragraph of this Section 8.6, if Tenant is required to rebuild or repair the Tenant's Building pursuant to Section 8.3 hereof or elects to repair or rebuild the Tenant's Building pursuant to Section 8.4 hereof, the proceeds of insurance required to be carried by Tenant pursuant to Section 8.1 hereof shall be paid to the holder of the first mortgage lien on the Burbank Site (the "Landlord's Mortgagee") or if none or if such mortgagee declines to hold such proceeds in accordance with the terms of this Lease then to a title company or bank as the parties may agree upon, as escrow agent, and all amounts collected on any such policies shall be available to Tenant for the reconstruction or repair of the Tenant's Building to the extent that such proceeds are required for such purposes, and any excess shall be paid to Tenant. At the time of creating such escrow account, and from time to time thereafter until the said work of reconstruction or repair shall have been completed and paid for, Tenant shall reasonably satisfy Landlord and the escrow agent that at all times the undisbursed portion of the fund in such escrow account is sufficient to pay for the work of reconstruction or repair in its entirety, according to the plans adopted therefor, and if Landlord or such escrow agent is at any time not reasonably satisfied that the undisbursed escrow fund is at any time sufficient to pay for the full cost of reconstruction or repair, Tenant shall immediately deposit into such escrow account such additional funds to so reasonably satisfy Landlord or such escrow agent. As a condition to each disbursement by the escrow

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agent, Tenant shall furnish the escrow agent with a certification by an architect licensed to do business in the State of Illinois that the repair or rebuilding for which disbursement is sought has been completed pursuant to the plans and is free of any liens or right thereto. Tenant shall pay to the escrow agent all fees for its services required by this Article VIII.

If Federated Department Stores, Inc. or its Successor Corporation is the Tenant, then the insurance proceeds described in the foregoing paragraph shall be paid to Tenant to be used by Tenant for reconstruction as aforesaid.

8.7 Landlord's Right to the Insurance Proceeds. If at any time prior to expenditure of all insurance proceeds pursuant to Section 8.6 hereof an Event of Default has occurred and is continuing, Landlord shall be immediately entitled to receive such portion of the unexpected insurance proceeds as may be necessary to cure such Event of Default, and this shall be done whenever and as often as any Event of Default has occurred and is continuing. Nothing herein contained, however, shall be construed as permitting Tenant to default in the payment of Rent or charges in this Lease stipulated to be paid by Tenant or in the performance by Tenant of its other covenants of this Lease, and Landlord may, at its option, if the Event of Default is in the payment of Rent or other charges or in the performance of any other covenants of this Lease, proceed against Tenant for the collections of such Rent and charges or recover and take possession of the Leased Site and the Tenant's Building in accordance with the provisions of this Lease or pursue any other right or remedy available to it under the terms of this Lease. If the insurance proceeds are required to be escrowed pursuant to Section 8.6 hereof, Tenant shall forthwith reimburse said escrow agent for the purpose of reconstruction or repair any amount so paid thereout on account of any default of Tenant. If after the said work of repair and reconstruction shall have been completed and paid for in full there remains any unexpended insurance proceeds, such balance shall be paid to Tenant if at that time no Event of Default has occurred and is continuing, otherwise such amount shall be paid to Landlord. Tenant shall commence the reconstruction or repair of the Tenant's Building within

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a period of six (6) months from the date of loss, and once commenced, Tenant shall thereafter diligently prosecute the same to completion. If Tenant shall fail to so commence and prosecute construction and if by reason of such failure and Event of Default is declared by Landlord pursuant to this Lease and is continuing (or if an Event of Default has otherwise occurred under any term of this Lease and is continuing), then all insurance proceeds, or the unexpended balance thereof, as the case may be, shall be paid to Landlord to be retained by it.

8.8 Insurance Proceeds Less than \$200,000. If the insurance award payable by virtue of the casualty insured against is no more than Two Hundred Thousand Dollars (\$200,000), and no Event of Default has occurred and is continuing, the insurance award arising from a casualty to Tenant's Building pursuant to insurance policies owned by Tenant shall be paid over directly to Tenant without the necessity of creating an escrow account. This shall not serve to relieve Tenant from promptly effecting the repairs and rehabilitation of the premises as required by this Article VIII.

8.9 Landlord's Insurance. Landlord covenants and agrees with Tenant that, except as hereinafter set forth, at all times when Landlord is required to rebuild Landlord's Building under the terms of this Lease keep the Landlord's Buildings insured in good and responsible insurance companies for protection against all loss or damage to the Landlord's Buildings by fire, windstorm, hail, explosion, damage from aircraft and vehicles and smoke damage, and such other risks as are from time to time included in "all risk" endorsements in Cook County, Illinois, in an amount at least sufficient to avoid the effects of the coinsurance provisions of the policies and in an amount not less than ninety percent (90%) of the actual replacement cost of the Landlord's Buildings (without deduction for depreciation, but excluding foundation and excavation costs and costs of underground flues, pipes and drains) with a reasonable deductible on any single loss or group of losses within one (1) year in such amounts as shall be approved by Landlord. Provided, however, such insurance may be carried in whole or in part under any plan of self-insurance which Landlord may from time

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to time have in force and effect so long as Landlord shall have a net worth of at least ten (10) times the policy limits required in this Section 8.9.

8.10 Landlord's Rebuilding. (a) During the one hundred eight (108) full calendar months following the Opening Date, (b) during such period as Landlord is required to rebuild Landlord's Building under the Operating Agreement, or (c) if during the period the Tenant is required to restore or rebuild and Tenant does restore or rebuild the Tenant's Building in accordance with Section 8.3 hereof, then, in the event of damage to or the destruction of the buildings or improvements now or hereafter located on the Center by fire, windstorm or any other casualty required under this Lease to be insured by Landlord, and subject to the rights of Landlord's mortgagees, Landlord shall rebuild and replace or repair the buildings to, at Landlord's option, not less than eighty percent (80%) of the Floor Area as existed prior to the fire or other casualty, reserving to Landlord to construct the remaining twenty percent (20%) of Floor Area at any time while this Lease is in effect but in any event to the same architectural style and the same quality of construction as existed prior to the fire or casualty. Such insurance money shall be payable to Landlord's Mortgagee or if none or if Landlord's Mortgagee declines to hold such proceeds in accordance with title company or bank as the parties may agree upon as escrow agent. Any mortgage now or hereafter constituting a lien on the Burbank Site, or any renewals or replacements thereof, or any agreement otherwise extending or modifying the same shall contain a provision whereby the mortgagee shall agree, acquiesce and consent that any insurance proceeds resulting from a loss on the Burbank Site received by such mortgagee shall be held by it (or an escrowee acceptable to Landlord's Mortgagee) in trust for the purpose of paying for the cost of repairing, restoring or replacing the buildings and improvements thereon in accordance with the provisions of this Lease and of the Operating Agreement. All amounts collected on any such policies shall be available to Landlord for the reconstruction or repair of the buildings or improvements now constructed or hereafter constructed on the Center which are damaged or destroyed, and shall be paid out by the holder of such amounts from time to time as the

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work of rebuilding, reconstruction and repair shall progress upon certificates by an architect licensed to do business in the State of Illinois, having supervision of such reconstruction and repair, certifying that the amount of such estimate is being applied to the payment of the reconstruction or repair and at a reasonable cost therefor; such holder shall be charged with the duty of seeing that the funds are properly applied in payment of the reconstruction and repair. If said fund is insufficient to pay for the full cost of such reconstruction and repair (but only as a result of a default by Landlord to maintain the insurance required in this Lease), then Landlord shall immediately secure and deposit into such fund such funds as may be necessary to accomplish such repairs and reconstruction. In the event Landlord defaults in the performance of this obligation, Tenant shall have the rights set forth in Section 18.6 hereof other than the right of self-help. It shall be the duty of Landlord to cause such repairs to be accomplished as often as the Center is destroyed or damaged during the period described in this Section 8.10, and all of such work shall be effected, completed and paid for as promptly as the exercise, by Landlord, of due diligence makes possible and in any event it shall be completed within twelve (12) months after the time when the loss or damage first took place; provided, however, that commencement of said repairs need not be made prior to six (6) months after the loss. The work, when completed, shall restore the damaged or destroyed improvements on the Center as required by the Operating Agreement. In the event Landlord fails to complete the repairs and restoration of the Center in accordance with the terms of this Article VIII, then Tenant shall have, in addition to other rights granted in this Article VIII, the right and option to cancel and terminate this Lease by written notice to Landlord, and this Lease shall terminate ninety (90) days after such notice unless Landlord completes such repairs and restoration within such 90-day period.

8.11 Insurance Proceeds Less than \$200,000. If the insurance award payable by virtue of the casualty insured against is not more than Two Hundred Thousand Dollars (\$200,000), and no default has been declared under Section 18.6 and is continuing, the money may be paid over

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directly to Landlord without the necessity of creating an escrow account. This shall not serve to relieve Landlord from promptly effecting the repairs and rehabilitation of the premises as required by this Article VIII irrespective of the cost thereof.

8.12 Waiver of Subrogation. Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease, or anyone claiming by, through, or under it in connection with the Leased Site or the Center, and (b) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense or is required under this Lease to be so insured (or to be self-insured), then the party so insured (or so required) hereby releases the other party from any liability said other party may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the cost thereof (except that in the case of increased cost, the other party shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereby keeping such release and waiver in full force and effect). If the party released from liability hereunder is the Landlord, and if Landlord is an Illinois land trust, the term "Landlord," for the purpose of this Section 8.12 only, shall include the Trustee, its agents, its beneficiary or beneficiaries and their agents.

ARTICLE IX

IMPROVEMENTS TO BE CONSTRUCTED BY LANDLORD

9.1 Delivery of Possession; Building Pad and Utilities.

(a) Landlord shall deliver to Tenant physical possession of the Leased Site (with the work required by this Section 9.1(b)(i) and (iii) completed) on or before January 15, 1984 (the "Required Delivery Date").

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The date Landlord actually delivers possession of the Leased Site in the condition required in this Section 9.1 is the "Actual Delivery Date." Landlord shall give Tenant not less than five (5) business days notice of the Actual Delivery Date and Tenant shall have five (5) business days after the Actual Delivery Date in which to accept or reject the Leased Site. Upon Tenant's acceptance of the Leased Site and the area therein of approximately 80,000 square feet designated for construction of the Tenant's Building (the "building pad") as being in the condition required by this Section 9.1, Tenant shall be responsible for any deterioration in the physical condition of the Leased Site and the building pad and shall perform all work necessary to once again place the Leased Site and the building pad in the condition required for the construction of the Tenant Building.

(b) Landlord shall prior to the Actual Delivery Date, at its sole cost and expense: (i) improve the Leased Site for use as a building pad by compacting the same to a 95% standard Proctor factor with a minimum soil bearing capacity of 2,500 p.s.f. containing approximately 80,000 square feet and which is ready for standard building foundations and otherwise in the condition required in Exhibit G attached hereto and made a part hereof, (ii) as soon after the Actual Delivery Date as is practicable, but not later than sixty days after the Actual Delivery Date, cause to be brought to within five (5) feet of the proposed location of the Tenant's Building utility lines for water, gas, electricity, telephone, storm and sanitary sewers all as shown on Sheet D-1 dated November 28, 1983 (the "Utility Plan") attached hereto as Exhibit D and made a part hereof, and (iii) make those changes as are also set forth in Exhibit D to the utility, sanitary and storm sewer lines passing through the Leased Site as of the date hereof. Utility lines for water shall include adequate domestic service for Tenant's intended uses as well as provide fire protection water supply within Tenant's Building complying with the requirements of Industrial Risk Insurers or Factory Mutual, as may be designated Tenant, for the sprinkler protection of retail locations. Utilities shall be of sufficient size to adequately service the Tenant's Building for Tenant's intended uses. The term "utility line" shall mean such lines, pipes and facilities as are required to bring water, gas,

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electricity, telephone, storm and sanitary sewers to the Leased Site. If the Landlord has not completed all of its work within the building pad by the Required Delivery Date, Tenant at its election may accept joint possession of the Leased Site to commence its construction work and Landlord shall (i) continue to complete its work to prepare the Leased Site and (ii) promptly after receipt of a statement from Tenant, reimburse Tenant for all agreed upon additional costs incurred by Tenant in the construction of the Tenant's Building arising as a result of the building pad not being in the condition required in this Section 9.1 by the Required Delivery Date. Each party agrees not to unreasonably interfere with the other in performance of such work.

(c) Landlord shall obtain all municipal and utility consents and permits, if any, necessary to bring such utility lines to the Tenant's Building and the Center. Tenant shall pay all costs and expenses of extending the utility lines from the point within five (5) of the proposed location of the Tenant's Building and of connecting (including, without limitation, tap-on and connecting fees) the Tenant's Building to such utility lines and all utility charges for utility use. Except as otherwise expressly provided in this Lease, all utility charges shall be paid by Tenant directly to the utility company. Tenant recognizes that on delivery of the Leased Site, the utilities will not be properly covered so that vehicles may cross same. Landlord agrees to provide adequate access to the Lease Site.

(d) If Landlord fails to complete such building pad, utility line installations and the "Mandatory Parking Area," access and landscaping all as described in Section 9.2 (collectively referred to in this Section as Mandatory Parking Area) (i) in any event (including force majeure delays) on or prior to June 1, 1985, or (ii) because of causes that do not include the force majeure delays on or prior to June 1, 1984, then, as its sole remedy under this Lease, Tenant may at any time thereafter, prior to completion by Landlord of such building pad, utility installation and Mandatory Parking Area, upon thirty (30) days' prior written notice to Landlord unless such building pad, utility installation and Mandatory Parking Area are completed prior to the expiration of such 30-day notice period, either

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(i) terminate this Lease and this Lease shall be terminated and of no further force or effect or (ii) complete such work. The amount or amounts of money so paid, including reasonable attorneys' fees and expenses which are reasonably incurred because of, or in connection with, such payments to complete the building pad, utility installation to within five feet of the Tenant's Building and the Mandatory Parking Area, together with interest on all of such amounts from the date(s) of payment(s) at the Default Interest Rate shall be repaid by Landlord to Tenant upon the demand of Tenant accompanied by paid invoice's and such other documents as may be reasonably requested; and the amount thereof may be setoff by Tenant against the Rent in accordance with the provisions of Section 18.6 hereof.

(e) The Landlord shall prepare the Leased Site for delivery to the Tenant on January 15, 1984, provided, however, the Landlord shall have no obligation to start construction of the Mandatory Parking Area or the Initial Landlord Buildings (as defined in Section 9.2) on the Burbank Site until the date which is ninety (90) days following the receipt of a notice from the Tenant advising the Landlord that the Tenant either has commenced or is prepared to and shall commence construction of the Tenant's Building within ten (10) days after the date of the notice.

(f) If the Landlord builds neither the building designated "Service Merchandise" on the Plot Plan nor the building designated H.O.W.'s on the Plot Plan, then the Landlord may locate one theater in the Center which theater may be in either of the permissible building areas shown on the Plot Plan and designated "Service Merchandise" (the "Service Merchandise Area") or designated "Retail," the latter lying to the east of the building designated "H.O.W.'s" (the "Southerly Area") provided such theater shall not exceed 20,000 square feet of Floor Area and, provided further, that Tenant may unreasonably withheld its consent as to the location of a theater in either one but not both of the two possible sites for such as shown on the Plot Plan, it being understood that the Tenant must reasonably approve the use of one (1) of such area. If the theater is located in the Service Merchandise Area it shall be situated in the northerly

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portion of the Area and oriented with its main entrance facing westerly. The southern portion of the Area shall be developed to be used as retail space. If the theater is located in the Southerly Area it shall be situated in the easterly portion of the Area and oriented with its main entrance facing northerly. The western portion of the Area shall be developed to be used as retail space.

(g) If landlord constructs or causes to be constructed retail tenant Floor Area in the Southerly Area but neither the building designated "Service Merchandise" nor the building designated "H.O.W.'s," each as shown as Plot Plan, are constructed then the consent of Tenant to a theatre in the Service Merchandise Area shall not be unreasonably withheld or unduly delayed.

9.2 Parking Lot and Pylon Sign.

(a) Landlord shall construct a parking lot on the Burbank Site (the "Parking Lot") of sufficient size to provide a minimum parking ratio, at grade, of 5 automobiles per 1,000 square feet of gross leaseable area on the Total Property with a ratio of not less than 4.0 automobiles per 1,000 square feet of gross leaseable area on the Burbank Site (not including the "out parcel areas" as shown on the Plot Plan) if the Landlord completes Burbank Center in accordance with the Plot Plan including but not limited to having as occupants Service Merchandise, Inc., and H.O.W.'s (or other tenants having size and stock to sales area ratios comparable thereto) at the locations and with the approximate Floor Area shown thereon. If Landlord is unable to comply with the foregoing, any alternative Plot Plan presented to Tenant for approval must provide a ratio of not less than 4.5 automobiles per 1,000 square feet of gross leaseable area on the Burbank Site (not including the out parcel areas). The Parking Lot shall meet the parking requirements for the Total Property as required by the Operating Agreement if a greater number of parking space is thereby required (based upon the Floor Area on the Total Property and the Floor Area of the Tenant's Building) and as required by applicable law. The Parking Lot shall be located as shown on the Plot Plan. Prior to the Opening Date,

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Tenant shall have the right, to be reasonably exercised, to use the Parking Lot for parking for its employees and its contractors' employees. Notwithstanding anything herein to the contrary, Landlord shall complete construction of the Mandatory Parking Area and shall install the pylon sign adjacent to the main Cicero Avenue entrance as shown on the Plot Plan and as more fully described in Section 15.2 hereof not less than sixty (60) days prior to the Opening Date (provided Tenant has delivered the notice pursuant to Section 9.1(e) hereof or Landlord has actual notice of the commencement of construction of the Tenant's Building and if such notice is not delivered or Landlord does not have actual notice, Landlord's obligation shall be to complete the Mandatory Parking Area and install the pylon sign described in Section 15.2 hereof not more than prior to 240 days after Tenant commenced construction of the Tenant's Building) with, at the cost and expense of Landlord, reasonably direct and unencumbered access to and from Cicero Avenue and State Road to the Mandatory Parking Area with all appropriate entrances and driveways and landscaping.

(b) Any free standing building in the out parcel area of the Center must have sufficient parking in the out parcel area to establish a parking ratio for such building of 5.0 automobiles per 1,000 square feet of gross leaseable area.

9.3 Landlord Buildings. All Floor Area constructed by Landlord shall be within the Permissible Building Area. Such Floor Area may be constructed in phases with the first phase to be commenced contemporaneously with the commencement of construction of Tenant's Building and to be not less than 30,000 square feet of Floor Area with not less than 12,500 square feet thereof to be built in the area immediately south of and contiguous with the Tenant's Building. Said 30,000 square feet shall not include therein a theater. Landlord shall complete the Initial Landlord Buildings and all Common Area improvements in the Center including but not limited to landscaping and paving of the Parking Lot on or prior to the date which is ninety (90) days after the Opening Date. Areas within the Permissible Building Area which are not built upon shall be kept in a clean and slightly

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appearance seeded for grass or sodded and properly mowed and maintained. No outdoor sales areas, garden shops or the like shall be permitted except in such locations as are shown on the Plot Plan.

9.4 Design Approval. Tenant has furnished to Landlord, for Landlord's information only, architectural elevations, design studies and preliminary exterior plans and specifications for the Tenant's Building. All of Landlord's Buildings which are constructed shall be constructed in an architectural design that is harmonious in color, materials, and architectural style with the Tenant's Building. No building other than Tenant's Building and as provided herein may exceed a maximum height of eighteen feet (18') above the finished grade of the Center except that (i) the building designated as "H.O.W.'s" as shown on the Plot Plan may be as high as Tenant's Building and exceed the height of Tenant's Building in that portion of the building designated as H.O.W.'s where shown to be in excess thereof on the Plot Plan and (ii) the building designated as "Service Merchandise" building shall not exceed 40 feet plus a mechanical penthouse if the ground Floor Area thereof equals or is less than 30,000 square feet, but may not exceed the height of the Tenant's Building if its ground Floor Area does exceed 30,000. On or before the commencement of construction of the Initial Landlord Buildings, Landlord shall deliver to Tenant architectural elevations, design studies and preliminary plans and specifications for the construction to be performed by Landlord as set forth in Sections 9.2 and 9.3 hereof, all of which shall be consistent with the Plot Plan. Within ten (10) business days of receipt thereof by Tenant, Tenant shall have the right to disapprove such architectural elevations, design studies and preliminary plans and specifications but only based on objections that they do not conform to the Plot Plan or do not provide for construction of buildings and improvements which are architecturally harmonious as to architectural style, color and materials with the Tenant's Building. A failure by Tenant to disapprove the plans within said time shall be deemed approval. In the event Tenant disapproves such plans and the Landlord does not agree with such disapproval, the parties' architects shall select one architecture firm

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to determine whether or not the plans so conform. If the architecture firm so selected determines that the plans do so conform, then all time periods herein provided which are dependant on the commencement or completion of construction of such Improvements shall be appropriately adjusted to reflect the time period that Landlord was actually delayed in starting its construction of the Landlord's Buildings as a result of the erroneous disapproval of plans by Tenant. Landlord shall also submit to Tenant for approval by Tenant plans detailing the landscaping throughout the Center.

9.5 Compliance with Code. Landlord shall be solely responsible to cause all construction to be performed by Landlord pursuant to this Article IX to comply with all applicable governmental codes and regulations. All construction by Landlord shall be performed with first-class workmanship and materials.

9.6 Alterations. Landlord shall have the right to construct the Landlord's Buildings within the Permissible Building Area shown on the Plot Plan. Tenant shall construct the Tenant's Building on the Lease Site. At any time from time and to time during the Lease Term, Landlord and Tenant shall each have the right to make or cause to be made at its respective sole cost and expense such changes and minor alterations in and to any buildings and improvements located upon such party's Site as it may desire, provided the same do not (a) change the location of the buildings or parking facilities as shown on the Plot Plan, (b) change the height of the buildings from that which is originally established by Tenant for the Tenant's Building and approved by Tenant for Landlord's Building (but which shall not exceed the height of the Tenant's Building except as provided in this Lease) and (c) in the case of a building, impair the structural soundness and integrity thereof, or result in a materially different exterior appearance than existed before. The phrase "materially different exterior appearance" shall mean one which because of color, materials or design is not architecturally harmonious with the Tenant's Building as initially constructed and thereafter with the buildings on the Burbank Site. Each party acknowledges that neither may expand the size of their respective

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building unless the then existing building is less than the Permissible Building Area or the Leased Site, as the case may be, and further if upon reconstruction after a fire or other casualty the restored building is smaller than that which is hereunder permitted then the party whose building reconstructed to a smaller size may increase such building within the Permissible Building Area or the Leased Site, as the case may be.

All alterations in and to the Leased Site made by Tenant shall be at Tenant's expense and shall be made in good and workmanlike manner and in compliance with all applicable provisions of this Lease. Tenant shall, before any alterations are made, obtain all permits, approvals and certificates required by all governmental and quasigovernmental bodies having jurisdiction over such alterations. Upon completion of the alterations, Tenant shall obtain, and deliver a copy to Landlord upon request, any certificates of final approval thereof which are ordinarily and customarily issued by such jurisdictional authorities.

Subject to the provisions of Article XI of this Lease, Tenant shall promptly pay and discharge all costs and expenses of such alterations.

Reference herein to alterations or other work performed "by Tenant" (or words of like import) shall be deemed to mean performance thereof by Tenant and/or by anyone acting for, on behalf of or under Tenant.

ARTICLE X

IMPROVEMENTS TO BE CONSTRUCTED BY TENANT

10.1 Construction of the Tenant's Building and Landlord's Rights of Approval. Tenant shall, at its sole cost and expense, cause to be constructed upon the Leased Site a one-story retail store building containing approximately the gross square feet as shown on the Plot Plan, together with necessary and usual appurtenances, including flag poles, sidewalks (but not curbs, anything outside of curbs, landscaping, or lighting all of which is to be constructed by Landlord), loading docks and utility lines within the Leased Site. Such building and appurtenances are herein called the "Tenant's Building".

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Construction of the Tenant's Building shall be commenced promptly after the last to occur of (a) delivery of the Leased Site to Tenant pursuant to Article IX and (b) receipt by Tenant of all permits and approvals necessary to commence construction provided, however, Tenant shall have no obligation to commence construction prior to April 1, 1984. Once commenced, construction shall be diligently pursued to completion provided, however, Tenant shall not be obligated to use overtime labor. Tenant shall advise Landlord within one hundred (100) days after commencement of construction of the Tenant's Building of Tenant's planned Opening Date but shall not be obligated to advise Landlord of such date prior to April 1, 1984. In the event the Tenant fails to complete the construction of the Tenant's Building on or before November 1, 1985, unless such date is extended by the application of force majeure but which extension may not exceed one year, the Landlord may deliver a notice to the Tenant that the Tenant has failed to comply with this requirement and if the Tenant does not comply with this requirement within 120 days after receipt of such notice, the Landlord may terminate this Lease effective as of the expiration of the 120-day period. In the event the Tenant fails to commence construction of the Tenant's Building on or before March 15, 1985 but in any event (including force majeure delays) on or prior to March 15, 1986, the Landlord may terminate this Lease.

10.2 Failure to Obtain Governmental Approval. Tenant shall proceed with due diligence and use its best efforts to obtain the necessary governmental permits and approvals to permit the construction on the Leased Site of the Tenant's Building and the other improvements in accordance with the provisions of Section 10.1 hereof and shall prepare its plans in accordance with all applicable codes and ordinances. Landlord shall cooperate with Tenant in such effort. Landlord shall have the right to participate, at Landlord's expense, in any application, proceeding or litigation brought by Tenant in connection with this Section 10.2 and Tenant agrees to cooperate with Landlord in connection therewith. If Tenant shall have proceeded as aforesaid and Tenant was reasonable in its requests for

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such permits and approvals but shall nevertheless have failed to obtain such permits and approvals and such failure cannot be cured by the making of any changes in and to the plans and specifications which would still permit construction of the Tenant's Building and the other improvements to Tenant's reasonable satisfaction, Landlord and Tenant shall each have the right and option of cancelling and rescinding this Lease by giving notice to the other party of its election so to do within ninety (90) days (or such longer period as the parties may mutually agree upon) after final denial (i.e., after all appeals from the denial of such permits and approvals have been decided) of the necessary permits and approvals. If Tenant shall give such notice of cancellation and rescission, this Lease shall be deemed cancelled and rescinded as of the date on which such notice is given. Notwithstanding the foregoing, any such right on Tenant's part to cancel and rescind this Lease shall be nullified if Landlord shall (a) on or before the thirtieth (30th) day after the giving of such notice by Tenant advise Tenant in writing of Landlord's intention to proceed forthwith to obtain such permits and approvals, and (b) within ninety (90) days of so advising Tenant, Landlord shall actually obtain such permits and approvals. If Landlord obtains such permits and approvals, the fees paid by Landlord for issuance of such permits and approvals shall be paid to Landlord by Tenant within ten (10) days of request therefor.

10.3 Ownership of the Tenant's Building. The ownership of and title to the Tenant's Building and other improvements made by Tenant to the Leased Site shall be and remain in Tenant during and throughout the Lease Term. Upon the expiration or termination of the Lease Term, the Tenant's Building (except for Trade Fixtures) and such other improvements made by Tenant shall revert to, be and become the sole property of Landlord, without the necessity of any further conveyance by Tenant to Landlord (provided Tenant shall deliver its quit claim deed of conveyance if requested by Landlord), and title thereto shall be free and clear of all rights and interests of Tenant or anyone claiming by, through or under Tenant. Landlord's right to a deed from Tenant as aforesaid shall be enforceable by specific performance.

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10.4 Mutual Cooperation. The parties agree that in the performance of their respective construction obligations under this Lease, each will, consistent with such construction obligations, take all reasonable precautions so as not to interfere with the progress of the other party's construction hereunder and avoidance of labor disputes and will coordinate with each other on such matters (but not limited thereto) as construction barricades, scheduling of related or mutually beneficial work, routing of construction traffic and placement of common utility pipes, lines and conduits.

10.5 Compliance with Code. Tenant shall be solely responsible to cause all construction to be performed by Tenant pursuant to this Article X to comply with all applicable governmental codes and regulations. All construction by Tenant shall be performed with first-class workmanship and materials.

ARTICLE XI MECHANIC'S LIENS

11.1 Tenant Not to Subject the Burbank Site to Mechanic's Liens. Tenant shall not, under any circumstances, have the power to subject the Burbank Site, or any part(s) thereof, to any mechanic's or materialmen's lien or liens of any kind. All persons who may hereafter during the Lease Term furnish work, labor, services or materials to the Burbank Site upon the request or order of Tenant or any person claiming under, by or through Tenant, shall look wholly to Tenant personally and not to Landlord or the Burbank Site.

Tenant shall not permit or suffer to be filed or claimed against the Burbank Site during the Lease Term, on the basis of any work, labor, services or materials furnished to the Burbank Site upon the request or order of Tenant or any person claiming under, by or through Tenant, any lien or liens of any kind, and if any such lien is claimed or filed, it shall be the duty of Tenant to cause the Burbank Site to be released from such claims. Subject to the provisions of Section 11.3, such release shall be

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discharged of record within ten (10) days of the filing of the claim. If Tenant shall fail to discharge such mechanic's lien within such period, then, in addition to any other right or remedy it may have under this Lease, Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit in court, title insurance, or bonding. Any reasonable expense to which Landlord may be put by reason of defending any suit or claim (or in discharging any such suit or claim) involving such a lien, including court costs and reasonable attorneys' fees, shall be borne by Tenant and shall be paid to Landlord within thirty (30) days after its demand therefor and evidence thereof.

11.2 Landlord Not to Subject the Leased Premises to Mechanic's Liens. Landlord shall not, under any circumstances, have the power to subject the Leased Premises or any part(s) thereof, to any mechanic's or materialmen's lien or liens of any kind. All persons who may hereafter during the Lease Term furnish work, labor, services or materials to the Leased Premises upon the request or order of Landlord or any person claiming under, by or through Landlord, shall look wholly to Landlord personally and not to Tenant or the Leased Site.

Landlord shall not permit or suffer to be filed or claimed against the Leased Premises during the Lease Term, on the basis of any work, labor, services or materials furnished to the Leased Premises upon the request or order of Landlord or any person claiming under, by or through Landlord, any lien or liens of any kind, and if any such lien is claimed or filed, it shall be the duty of Landlord to cause the Leased Premises to be released from such claims. Subject to the provisions of Section 11.3, such release shall be effected within thirty (30) days of the filing thereof. If Landlord shall fail to discharge such mechanic's lien within such period, then, in addition to any other right or remedy it may have under this Lease, Tenant may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit in court, title insurance, or bonding. Any reasonable

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expense to which Tenant may be put by reason of defending any suit or claim (or in discharging any such suit or claim) involving such a lien, including court costs and reasonable attorneys' fees, shall be borne by Landlord and shall be paid to Tenant within thirty (30) days after its demand therefor and evidence thereof.

11.3 Rights to Contest and Indemnification. Notwithstanding anything in this Article XI to the contrary, Landlord and Tenant shall each have the right to contest, in an appropriate legal proceeding, the validity or amount of any such lien claimed on behalf of work, labor, services or materials furnished to the contesting party; provided any such contest shall be diligently prosecuted and further provided (a) that the party not contesting the mechanic's lien (the "Other Party") shall be furnished with notice of any such contest at least five (5) days prior to the commencement of any such contest, (b) that such proceedings stay the enforcement or collection of any such mechanic's lien and (c) that before the party not discharging the mechanic's lien (the "Non-Discharging Party") shall commence such contest, the Non-Discharging Party shall furnish to the Other Party either (i) title insurance or a bond of a surety company satisfactory to the Other Party, which bond shall be, as to the provisions and form thereof, satisfactory to the Other Party, and shall be in an amount at least equal to one hundred twenty-five percent (125%) of the estimated cost of the mechanic's lien, including interest and penalties thereon, or (ii) in place of such title insurance or bond other security satisfactory to the Other Party and/or any other party claiming an interest in the Leased Premises or the Burbank Site from, through or under such Other Party, and shall indemnify the Other Party and/or any other party claiming an interest in the Leased Premises or the Burbank Site from, through or under such Other Party against the cost thereof and against all liability and any damages, interest, penalties and expenses (including, but not limited to, court costs and legal fees and expenses) resulting from or incurred in connection with such contest.

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ARTICLE XII SUBORDINATION

12.1 Agreement to Subordinate. Tenant agrees to subordinate this Lease to existing or future mortgages (which term as used in this Lease shall include deed(s) of trust) or ground leases covering the Burbank Site, and will execute such instruments as shall be required by such mortgages or landlords to effect such subordination; provided, however, such subordination shall be upon the express condition that the beneficial holder of any such mortgage or landlord of any such ground lease shall enter into a written agreement ("Non-Disturbance Agreement") with Tenant, in a form reasonably satisfactory to Tenant and suitable for recordation, to the effect that after foreclosure or power of sale exercise under any such mortgage or termination of any such ground lease and provided Tenant is not in default under this Lease, (a) this Lease will continue in force and effect, (b) Tenant's possession and enjoyment of rights under this Lease will continue materially unimpaired, (c) none of the rights granted to Tenant hereunder will be materially diminished or impaired nor will any of Tenant's obligations hereunder be increased, and (d) in the event of a destruction of the Tenant's Building, the Common Area or Landlord's Floor Area (as set forth in Article VIII hereof) or condemnation of any thereof (as set forth in Article XVII) said beneficial holder or ground landlord will permit the proceeds of all insurance policies covering the Burbank Site or any proceeds derived from any condemnation to be made available and disbursed for repair, reconstruction and restoration by Landlord as required in this Lease and in the Operating Agreement.

Tenant agrees that if any mortgagee (which term as used in this Lease shall include the beneficial holder of a deed of trust), ground landlord or any other person claiming under a mortgage or ground lease shall succeed to the interest of Landlord in this Lease, Tenant will recognize said mortgagee, ground landlord or person as its Landlord under the terms of this Lease, provided that said mortgagee, ground landlord or other person, during the period in which it shall be in actual possession of the Center,

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and thereafter its successor in interest, shall assume all of the obligations of Landlord hereunder accruing after the date of taking such possession by such mortgagee, ground lessor or person, it being understood that such mortgagee, ground lessor or other person shall have no duty or liability as to obligations arising prior to the date of such taking of possession. Any purchaser acquiring title to the Burbank Site and the Tenant's Building by reason of such foreclosure, eviction or sale shall take title subject to this condition.

12.2 Existing Mortgages. Landlord represents that as of the date hereof the Leased Site is subject only to the mortgages described in Exhibit F hereof.

ARTICLE XIII

USE

13.1 Operating Covenant. (a) (A) Tenant shall use, operate and occupy the Tenant's Building exclusively as a department store for the sale at retail of merchandise commonly sold in, and in a manner which is substantially similar to, other stores of Tenant which operate under the name employed by Tenant to identify the business to be conducted in the Tenant's Building and to identify all other similar stores of Tenant in the Chicago metropolitan area (such name which Tenant intends, as of the date hereof, to use being "Mainstreet") all for a period of one hundred twenty (120) full calendar months following the Opening Date, (such use and period being the "Operating Covenant"). The Operating Covenant is expressly subject and contingent upon the following: (i) Landlord shall construct, or cause to be constructed, at least 80,000 square feet of Floor Area in the Center (not including the out-parcel area) and (ii) that sixty percent (60%) thereof as determined by Floor Area is open for business and operating on or prior to a date which is (x) 180 days after the Opening Date if the Opening Date is on or prior to December 31, 1984, or (y) 180 days after the Opening Date if the Opening Date is on or after August 15, 1985 or (z) on or prior to a date which is 60 days after the Opening Date

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if the Opening Date is on or after January 1, 1985 but prior to August 15, 1985, and (iii) that at least eighty percent (80%) of the Floor Area so open is conducted as retail, sales, rental, or theater businesses, each of (i), (ii) and (iii) being required during that entire period. Such stores shall be open to the general public for business as commercial facilities substantially typical of community or strip shopping centers in the Chicago Metropolitan area. Only one half of the Floor Area of a theater shall be included in any computation under this Section 13.1.

B. Until the conditions of clauses (i), (ii), and (iii) in paragraph A are satisfied and within the three-year period following the Opening Date, the period of the Operating Covenant shall run but Tenant shall have no obligations under this Section, provided, however, Tenant may only use Tenant's Building as a retail department store.

C. If at any time after Landlord has satisfied the conditions of clauses (i), (ii) and (iii) in paragraph A there is not in operation in the Center the Floor Area set forth in this Section, then Tenant may serve a notice on Landlord to the effect that the obligation of Tenant to operate as set forth in this Section 13.1 shall be suspended (but the period of time of the Operating Covenant shall continue to run) unless within six (6) months from the date of such notice there is in operation in the Center the requisite minimum Floor Area required by this Section 13.1. If at the expiration of said six (6) month period said requisite minimum Floor Area is not so in operation, then the Operating Covenant set forth in this Section 13.1 may be terminated by Tenant by notice to Landlord and within forty-five (45) days thereafter Tenant ceases to operate its store in the Leased Site which termination and cessation being Tenant's sole remedy against the Landlord. If Tenant does not so cease to operate, and if within six (6) months after the expiration of the six (6) month period set forth in the first sentence of this Paragraph C the Landlord does have in operation in the Center the requisite minimum Floor Area required during the Operating Covenant period established in this Section 13.1, the Operating Covenant shall be reinstated.

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D. If within three years from the Opening Date the requirements of clauses (i), (ii) and (iii) have not been satisfied, as the Tenant's sole remedy against the Landlord, the Operating Covenant of the Tenant shall be terminated and shall not be subject to reinstatement.

E. Wherever used in this Lease a "suspension" of the Operating Covenant shall mean that Tenant's obligation to operate thereunder is temporarily not applicable but the term of the Operating Covenant shall continue to elapse.

(b) The Landlord agrees that there shall be no use within a radius of 100 feet of the perimeter of the Leased Site which is incompatible with the use of the Leased Site as a department store. Incompatible uses are manufacturing, warehousing, theaters, liquor stores (not including drug stores which sell liquor by the bottle), laundromats, amusement arcades, automobile sales, establishments offering take-out food that is a substantial component of the sales of such establishment, and types of uses substantially similar to the foregoing. Moreover, the Landlord agrees that the Burbank Site will be maintained and used for occupancy only by businesses selling and leasing goods and services to customers and by such other non-retail tenants as are customarily located in first-class strip shopping centers such as, but not limited to, banks, savings and loan associations, finance companies, and offices, provided however, that no more than twenty percent (20%) of the Floor Area within the Landlord's Buildings shall be used by non-retail tenants. In determining the Floor Area for the 20% limitation, any Floor Area contained in a theater, if any, on the Center shall not be included.

(c) Landlord and Tenant agree, so long as their respective Sites are used primarily for retail business and parking incidental thereto, that all reasonable means will be taken to prevent any manner of operation or use of each party's Site not in accordance with the standards of first-class strip shopping center operation and neither party shall use or permit its Site to be used for any purpose or in any manner which is incompatible with a first-class strip shopping center.

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(d) Construction by Landlord of 80,000 square feet of Floor Area is a condition of this Section 13.1 for the Operating Covenant but the failure to construct such is not a default under this Lease.

13.2 Operation of the Tenant's Building. During such period as the Operating Covenant is in effect, Tenant shall continuously and actively keep the Tenant's Building open for business during substantially such days and hours as the majority of Tenant's other department stores operating in the Chicago metropolitan area under the name then being used to designate the operation in Tenant's Building are open provided at least sixty percent (60%) of Landlord's Floor Area is open for business during such days and hours. Nothing in this Section 13.3 shall require Tenant to keep the Tenant's Building open for business on Sundays or on any nationally recognized holiday.

13.3 Temporary Cessation. (a) A temporary cessation of operations to make repairs or alterations, due to force majeure, due to the Landlord's failure to maintain a required percentage of occupancy or for any reasonable purpose, shall not be deemed a discontinuance of operation for the purposes of this Lease. If the parties are unable to agree whether or not the temporary cessation of opening is for a reasonable purpose, then such matter shall be determined by arbitration pursuant to Section 21.24 hereof.

(b) In the event of a damage or destruction by fire or other casualty and the Tenant is required to rebuild or repair the Tenant's Building pursuant to Section 8.3 hereof, Tenant may cease business operations in the Tenant's Building to allow the repair or rebuilding to be accomplished provided, however, that the term of the Operating Covenant shall be extended for the period of time equal to the duration of the period of cessation for restorations or repairs. In the event Tenant elects to cease operations pursuant to Section 17.2 hereof, the term of the Operating Covenant shall be extended for the period of time equal to the duration of the period of cessation.

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13.4 Remedy Upon Breach of Operating Covenant. In the event the Tenant breaches the Operating Covenant and ceases to operate during the period of the Operating Covenant, the Landlord shall have all the remedies set forth in Article XVIII hereof.

13.5 Option of Landlord to Purchase Tenant Building Upon Cessation of Operations. (a) Tenant may elect to cease operations subsequent to the expiration or termination of the Operating Covenant for a period of not to exceed eighteen (18) months.

(b) In the event subsequent to the expiration or termination of the Operating Covenant (and in the absence of an Event of Default by Tenant) (i) Tenant ceases operations for 18 months and thereafter continues to cease operations or (ii) without first ceasing operations for 18 months, Tenant conclusively ceases operations, written notice of which event Tenant agrees to give to Landlord, then in either the case of (i) or (ii) the Landlord shall have the option, to be exercised within three months or receipt of the aforesaid notice or the expiration of the 18 month period without a resumption of operations by Tenant, to elect to purchase the Tenant Building and to cancel this Lease effective as of a date which is not later than two months after the receipt of the aforesaid notice or the expiration of the 18 month period. The purchase price of the Tenant Building shall be the fair market value of the Building and all of the improvements therein which shall be computed without reduction for the fact that the Tenant is not the owner of the fee interest in the Leased Site but as if the Tenant were to continue in operation as such business operations had been conducted during the Operating Covenant. The fair market value shall be determined by a panel of arbitrators in accordance with the provisions of Section 21.24 hereof. In the event the option of Landlord to purchase the Tenant's Building arises under this Section and Landlord does not elect to purchase the Tenant's Building, Landlord shall not be entitled to exercise the option to purchase Tenant's Building created in Article XVI within five (5) years if the circumstances should arise under Article XVI within that period.

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ARTICLE XIV

MAINTENANCE AND UTILITIES

14.1 Maintenance of the Tenant's Building by Tenant. Tenant covenants and agrees with Landlord that during the Lease Term, Tenant, at its sole cost and expense, will maintain or cause to be maintained the Tenant's Building and the Leased Site, and all parts thereof, and appurtenances thereto in good order, condition and repair.

14.2 Maintenance of Landlord's Building by Landlord. Landlord covenants and agrees with Tenant that during such period of time and to the extent Landlord is required to operate the Center under the Operating Agreement or under this Lease, Landlord, at no cost to Tenant, will maintain or cause to be maintained Landlord's Building, and all parts thereof, in good order, condition and repair in accordance with the Operating Agreement.

14.3 Maintenance of Utilities. Tenant agrees to pay its proportionate share (based on a fraction having as its numerator the Tenant's Floor Area and as its denominator the total of the Tenant's Floor Area and the Landlord's Floor Area) of Landlord's expenses for utilities' maintenance and repair for those utilities servicing the Leased Site and the Center and other portions of the Total Property; provided however, if any such utility maintenance and repair relates to utilities servicing either the Leased Site or the Center solely (and not servicing both the Leased Site and the Center) and whether or not servicing any of the other Total Property, then the party hereto whose Site the utilities are solely servicing shall perform and pay the entire costs of such maintenance and repairs. To the extent Tenant is required by the foregoing terms to pay or share in the costs of such utility maintenance or repair, Tenant shall reimburse Landlord for Tenant's cost share paid by Landlord to the party performing such maintenance or repairs, within fifteen (15) days of each billing therefor by Landlord. If there is a tenant, owner or occupant in the Center or Total Property whose use of a utility is significantly greater or less on a per square foot of Floor Area basis than Tenant, then the proportionate share

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of Tenant shall be equitably adjusted to reflect the greater use and hence demand upon the utility lines.

Certain utility lines lie beneath the Leased Site. These include but are not limited to sanitary and storm sewer lines. While the normal cost of the maintenance, repair and replacement of these lines is a Common Area Maintenance Cost, any cost or expense beyond that which would be incurred for the maintenance, repair and replacement of these lines if they were not located under the Tenant's Building is the sole responsibility of the Landlord as is any loss or damage to person or property including the property of Tenant and the Tenant's Building arising from the existence of such lines, the repair, relocation or replacement thereof. All other maintenance, repair or replacement costs of these utility lines is a Common Area maintenance expense.

ARTICLE XV

SIGNS

15.1 Tenant's Sign Criteria. Tenant may use, without the need to obtain Landlord approval, the design of the sign for attachment to the Tenant's Building which design is used by Tenant for the majority of its other stores with a similar use as in the Tenant's Building in the Chicago metropolitan area. All other signs at the Center shall be subject to and comply with the sign criteria set forth in Exhibit E attached hereto and made a part hereof.

15.2 Center Pylon Sign. Landlord shall install, operate and maintain the pylon sign for the Center adjacent to the main Cicero Avenue entrance to the Center, the location of which shown on the Plot Plan, hereto which shall identify the Center by its name. This pylon sign, and the other pylon sign shown on the Plot Plan if installed by Landlord, shall have one name and/or logo panel for Tenant and one each for not more than three (3) additional major businesses in the Shopping Center. Tenant shall have the right to approve the design and location (other than as shown on the Plot Plan) of each shopping center pylon sign and the position of its

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panel on each pylon sign, which approval shall not be unreasonably upheld or delayed. The cost of the installation of the shopping center pylon signs shall be the responsibility and expense of Landlord. The Tenant's name and/or logo panel for each pylon sign shall be designed by the Tenant who shall submit a plan and/or specification for such within one hundred twenty (120) days after the execution of this Lease or sixty (60) days after Tenant approves the design of the pylon sign whichever shall last occur. The cost of the fabrication and installation of the Tenant's name and/or logo panel for each pylon sign shall be the responsibility and expense of Tenant. Landlord has no obligation or duty under this Article XV to construct any pylon sign other than the pylon sign adjacent to the main Cicero Avenue entrance to the Center.

15.3 Governmental Approval. All signs provided for herein shall be subject to the approval of the appropriate governmental authorities of the City of Burbank, Illinois.

ARTICLE XVI

ASSIGNMENT AND SUBLETTING

16.1 During Operating Covenant.

(a) Tenant agrees that prior to the expiration of its Operating Covenant as set forth in Section 13.1, Tenant shall not have the right to assign this Lease or sublet any portion of the Leased Site or the Tenant's Building without the express prior written consent of Landlord, which consent may be unreasonably withheld, except as provided below in this Section 16.1.

(b) Tenant shall have the right, without the consent of Landlord, to grant licenses of departments or concessions for the sale of merchandise and services while Tenant is operating pursuant to Section 13.1.

(c) Provided an Event of Default has not occurred (or if occurred, is not continuing), Tenant shall have the right, without the consent of Landlord, to assign this Lease to a Successor Corporation. As

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used herein, the term "Successor Corporation" shall mean (i) a corporation into which or with which Tenant is merged or consolidated in accordance with applicable statutory provisions for merger or consolidation, provided that by operation of law or by effective provisions contained in the instruments of merger or consolidation, the liabilities of the corporations participating in such merger or consolidation are assumed by the corporation surviving such merger or created by such consolidation, (ii) an entity acquiring all or substantially all of the business and operating assets of Tenant (including this Lease), or (iii) an entity acquiring not less than a majority of the stores of Tenant in the Chicago metropolitan area which at that time operate under the same trade name as the store in the Tenant's Building, or (iv) any successor to a Successor Corporation becoming such by either of the methods described above in clauses (i), (ii) or (iii); and provided such Successor Corporation shall have a net worth, determined in accordance with generally accepted accounting principles at least equal to one hundred million dollars immediately prior to any such merger, acquisition or transfer. The acquisition by any corporation of all or substantially all of the assets and liabilities of Tenant, shall be deemed to be a merger of Tenant with such corporation for the purposes of this Section 16.1. Any Successor Corporation shall assume this Lease and agree to perform and be bound by all of the terms, covenants and conditions herein contained from the date of such assignment, including, but not limited to, the covenants of Tenant set forth in Section 13.1 hereof, and further provided that an executed copy of such assignment and assumption is delivered to Landlord. Any assignment pursuant to this Section 16.1(b) or pursuant to Section 16.2(c) (but not otherwise) shall, from and after the date thereof, release Tenant from its obligations under this Lease thereafter accruing.

16.2 Post Operating Covenant Sublet and Assignments. (a)

Subsequent to the expiration of the Operating Covenant and provided an Event of Default has not occurred (or if occurred has been cured and is not continuing) and subject to the limitation of the immediately following sentence, and, provided further, that the Tenant's Building has been

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occupied by Tenant for at least two preceding years or if not so occupied that the Tenant is diligently pursuing a subtenant or assignee for the Tenant Building during the period of such non-occupancy, Tenant shall have the right at any time subsequent to the expiration of the Operating Covenant without the consent of Landlord, (i) to assign this Lease or sublet the entire Leased Site and the Tenant's Building and (ii) to sublet less than the entire Leased Site and the Tenant's Building. So long as not less than sixty percent of the number of square feet of Landlord's Floor Area is open for business and are conducting retail uses consistent with uses typically found in a community type of shopping center in the Chicago Metropolitan area, the Tenant may neither sublet nor assign portions of the Tenant Building to more than four sub-tenants or assignees who shall conduct retail operations in the Tenant's Building nor shall the Tenant's Building be divided into and used for more than four retail stores with separate identification and types of business operation. If less than sixty percent of the number of square feet of Landlord's Floor Area are not open for business or are not conducting retail uses consistent with uses typically found in a community type of shopping center in the Chicago Metropolitan area, the Tenant may sublet or assign portions of the Tenant Building to more than four sub-tenants or assignees provided Tenant may only allow the Tenant Building to be divided into a maximum of four retail stores but with no limitation on the number of offices or office users, all of which are to be compatible with the uses then in effect in the Center with separate identification and types of business operation.

(b) So long as Tenant is operating in the Tenant's Building, Tenant shall have the right, without the consent of Landlord, to grant licenses of departments or concessions for the sale of merchandise and services.

(c) Provided an Event of Default has not occurred (or if occurred, is not continuing), Tenant shall have the right, without the consent of Landlord, to assign this Lease to a Successor Corporation as provided in Section 16.1(c).

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16.3 Landlord's Right to Purchase Tenant's Building and Terminate Lease. Tenant shall give notice to Landlord not less than three (3) months prior to the date Tenant establishes as its desired date on which to sublet or assign the Tenant Building pursuant to Section 16.1(a) or Section 16.2(a). Notwithstanding anything herein to the contrary, unless the assignment or subletting is to a Successor Corporation in which circumstance the following shall not apply, Landlord shall have the right, within thirty (30) days of receipt of the notice described in the preceding sentence, to exercise its option to purchase the Tenant's Building and terminate this Lease upon the same terms and conditions as are set forth in Section 13.5 of this Lease. If Landlord so elects to terminate this Lease, the Tenant's Building shall be conveyed by special warranty deed to Landlord, the amount due Tenant shall be paid to it, a mutual termination agreement shall be entered into and Tenant shall have sixty (60) days to vacate the Building. If Landlord does not elect to so terminate this Lease, Tenant may assign the Lease or sublet the Leased Site and the Tenant's Building as requested (unless Landlord withholds its consent to such assignment or subletting as provided in Section 16.1(a)). If Landlord elects to terminate this Lease pursuant to this Section 16.3, Landlord may lease or sell or otherwise transfer the Tenant's Building and/or the Leased Site or deal with Tenant's proposed assignee or sublessee without any obligation whatsoever to Tenant.

16.4 Tenant Not to be Released. No assignment or subletting by Tenant shall operate to release Tenant of its obligations under this Lease except an assignment to a Successor Corporation which assumes and agrees to be bound by this Lease and otherwise complies with the next to last sentence of Section 16.1(c) hereof.

16.5 Leasehold Mortgages. Tenant may mortgage its interest in this leasehold as security for a loan or loans for the payment of which Tenant is obligated. Landlord's interest under this Lease shall in all cases remain superior to the interest of the mortgagee of the leasehold mortgage, and the successors and assigns thereof. Neither such leasehold mortgage nor the foreclosure thereof shall release the Tenant or the mortgagee or its

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or their successors or assigns from any of the obligations under this Lease (including, without limitation, the obligations under Section 13.1 hereof) and Tenant shall remain liable therefor throughout the Lease Term.

No holder of any mortgage of Tenant's interest in this Lease nor anyone claiming by, through or under any such mortgage, shall, by virtue thereof, acquire any greater rights hereunder than Tenant has; moreover no such mortgage of Tenant's interest under this Lease shall be valid unless:

(a) Such mortgage shall be subject to all agreements, terms, covenants and conditions of this Lease (including, without limitation, those contained in Section 13.1 hereof).

(b) Such mortgage shall contain the following provision:

"This instrument is executed upon condition that (unless this condition is released or waived by Landlord under said Lease or its successors in interest by an instrument in writing) no purchaser or transferee of said Lease at any foreclosure sale hereunder, or other transfer authorized by law by reason of a default hereunder where no foreclosure sale is required, shall, as a result of such sale or transfer, acquire any right, title and interest in or to said Lease or the leasehold estate hereby mortgaged, unless (i) Landlord shall have been given written notice of such transfer of said Lease and the effective date thereof within thirty (30) days after the effective date of such transfer of said Lease and (ii) a duplicate original of the instrument which shall have been used to effect such

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transfer shall be given to Landlord within said thirty (30) day period."

(c) Landlord shall be given written notice of the making of such mortgage within thirty (30) days after the execution and delivery thereof and a copy thereof within thirty (30) days after the execution and delivery thereof.

(d) Such mortgagee waives any right to retain and apply the proceeds of any insurance or the proceeds of any condemnation award towards payment of the sum secured by the mortgage notwithstanding the provisions of any law or statute or agreement providing for the same, but any such insurance proceeds and condemnation award shall be held and used for the purposes and in accordance with the provisions of this Lease.

If an Event of Default is declared by Landlord, such mortgagee and its respective successors and assigns shall have the right, within thirty (30) days after notice to it by Landlord that Landlord elects to terminate this Lease in accordance with its terms (and specifying the amounts due and the other defaults, if any) to reinstate this Lease and the Lease Term by paying to Landlord any Rent or other sum required to be paid by Tenant hereunder and not paid at such time, and by curing or commencing to cure such other default hereunder which is not capable of being cured by the payment of money. Any modification or amendment of this Lease made after notice of any such mortgage to Landlord pursuant to subparagraph (c) above shall not be binding on such mortgagee unless such mortgagee shall have consented thereto.

16.6 Lease-Leasebacks. Tenant may, at any time, without the consent of Landlord, assign this Lease to any person, firm or corporation from which it shall simultaneously sublease the Leased Site (a lease and sub-leaseback transaction), provided (a) a copy of the assignment and

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sublease (exclusive of financial provisions) are delivered to Landlord, (b) the sublease imposes on the subtenant thereunder the obligation to perform all of the obligations (including, without limitation, the obligations under Section 13.1 hereof) and make all the payments on Tenant's part to be performed or paid under the provisions of this Lease, (c) a copy of any notice of default which assignee sends to the subtenant under such sublease shall be sent to Landlord simultaneously and Landlord shall have the right (but not the obligation) to cure such default on behalf of such subtenant within the time permitted to such subtenant under the sublease to cure same, and such subtenant shall be obligated to pay the cost of such curing (together with interest thereon at the Default Interest Rate) to Landlord on demand, failing which said cost (and interest as aforesaid) shall be payable by Tenant on demand as Rent hereunder, and (d) the assignee confirms in writing to Landlord that, until written notice to the contrary, and subject to clause (ii) below, any consent or approval required from Tenant under this Lease may be given by the subtenant and Landlord may rely thereon, Landlord agrees that, so long as the sublease remains in effect, (i) notice of any default by Tenant under this Lease will be given to both the assignee and the subtenant, and (ii) Landlord will not cancel (except as permitted by this Lease), or surrender this Lease without the prior written notice to both the assignee and subtenant and any modification or amendment of this Lease shall not be binding on such assignee or subtenant unless such assignee or subtenant shall have consented thereto. No lease and sub-leaseback transaction consummated by Tenant hereunder shall operate to relieve Tenant or its assignee, or its or their successors or assigns, from any of the obligations under this Lease (including, without limitation, the obligations under Section 13.1 hereof) and Tenant shall remain liable therefor as if such transaction had not been consummated.

16.7 Assignment by Landlord. If the Landlord has complied with the provisions of Section 9.3 hereof, then if Landlord sells the Burbank Site, it may assign this Lease to the purchaser and Landlord shall be released of any and all obligations whatsoever under this Lease accruing

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from and after the date of such assignment. If Landlord has not complied with Section 9.3, Landlord shall as a condition to such assignment of this Lease continue to guaranty to Tenant, as reasonably required by it, the compliance therewith, all as contemplated by and provided in this Lease.

ARTICLE XVII CONDEMNATION

17.1 Condemnation. If all or substantially all of the Leased Site is taken by any public authority under the power of eminent domain or by purchase in lieu thereof, then this Lease shall terminate as of the earlier of (a) the date mutually agreed upon by Landlord and Tenant and (b) the day possession is taken by such public authority. All Rent shall be paid up to such termination date. Within thirty (30) days after such termination, Landlord shall refund to Tenant any prepaid but unearned Rent. All or substantially all of the Leased Site shall be deemed to have been taken for the purposes of this Article XVII if: (i) such portion of the Tenant's Floor Area is taken so as to render the remainder, in Tenant's reasonable judgment, unsuitable for continuation of a department store (or the then current use), or (ii) if twenty percent (20%) or more of the parking area on the Cub Foods Site or ten percent (10%) or more of the parking area in the Center is taken, unless Landlord provides substitute parking spaces reasonably satisfactory to Tenant, or (iii) if any part of the Common Area (or any part of the Leased Site) is taken so as to substantially interfere with access between the Tenant's Building and the main entrance to the Center from Cicero Avenue, or (iv) there is not at all times available for use by Tenant, its customers and employees an entrance to the Center from State Road and the main entrance to the Center from Cicero Avenue (which entrance is designated on the Plot Plan) and in the case of (ii), (iii) and (iv) above is not replaced by Landlord within one hundred twenty (120) days after the taking and provided access to the Center is continued at all times from State Road and one other entrance from Cicero Avenue or (v) at Tenant's election, if after any condemnation, any party thereto

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elects to terminate the Operating Agreement. (Landlord is under no duty or obligation to provide such substitute or replacement parking, Common Areas or entrance as described above.)

17.2 Partial Condemnation. If the taking (or purchase in lieu thereof) is of less than substantially all of the Leased Site, this Lease shall terminate as to the portion taken, and unless this Lease shall be terminated, as hereinafter provided, it shall continue in full force and effect as to the remainder of the Leased Site, and the minimum rental, Tenant's share of the Impositions and maintenance payments and the breakpoint levels for percentage rent shall be reduced by the proportion that the Tenant's Floor Area taken bears to the total Tenant's Floor Area before such taking. Tenant, using such part of the award as may be necessary therefor, shall make, in accordance with plans and specifications to be reasonably approved by the Landlord as provided for herein with respect to Tenant's initial construction, all necessary repairs and alterations to the Leased Site required to be made due to such taking in order to restore the Leased Site to as near its condition before the taking as the circumstances will permit. Tenant shall promptly undertake such restoration and diligently and in good faith pursue such restoration to completion. Tenant shall not be required to expend any funds for such restoration in excess of the condemnation award.

If it is not feasible for Tenant to profitably operate its store within the Leased Site during the course of restoration as aforesaid, Tenant may cease operating its store during said restoration. In such event minimum annual rental shall not cease.

17.3 Condemnation Proceeding and Award. In the event that all or any part of the Leased Site or Tenant's interest in this Lease shall be taken or damaged by the exercise of the power of eminent domain, then (whether or not this Lease shall terminate by its terms or by operation of law upon such exercise of the power of eminent domain) the amount of damages resulting to Landlord and Tenant, respectively, and to their respective interests in and to the Leased Site and in, to and in connection

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with this Lease, by reason of such exercise of the power of eminent domain, shall be separately determined and computed by the court having jurisdiction and separate awards and judgments with respect to such damages to Landlord and Tenant, respectively, and to each of their respective interests, shall be made and entered; provided, if under any of the provisions of this Article XVII, such court shall make a single award without separately determining the respective interests of Landlord and Tenant, and if Landlord and Tenant shall not agree in writing as to their respective portions of such award within twenty (20) days after the date of the final determination by such court of the amount thereof, Landlord and Tenant agree to submit the matter to such court on stipulation for the purpose of a judgment determinative of their respective shares. In the event for any reason the trial judge refuses to permit adjudication of the respective interests of Landlord and Tenant, then such respective interests shall be determined by arbitration under Section 21.24 hereof. Notwithstanding anything in this Section 17.3 hereof to the contrary, Tenant shall be entitled to an award for its leasehold estate and the undepreciated value of its leasehold improvements. If no separate award is made, Landlord shall pay Tenant for its leasehold estate and the depreciated value of its leasehold improvements.

ARTICLE XVIII

DEFAULT AND TERMINATION

18.1 Interest on Delinquent Rent. All Rent which may become due and payable hereunder and which is not paid within ten (10) days after the receipt of a notice from or on behalf of Landlord that such Rent has not been paid shall bear interest at the Default Rate from the date which is five (5) days after Tenant's receipt of such notice unless paid before the expiration of the five (5) day period. In the event Tenant fails to pay within twenty (20) days after receipt of notice from or on behalf of Landlord that any other sum (i.e., other than Rent) agreed or required by this Lease to be paid by Tenant, and in the event Landlord shall elect to pay

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such amount after such due date, then Tenant shall reimburse Landlord for such payment upon written demand by Landlord, together with interest at the Default Rate from the date of such payment by Landlord to the date that the same is repaid.

18.2 Events of Default. It is further covenanted and agreed by and between the parties hereto that in the event (a) Tenant shall fail to pay any of the Rent herein provided for upon the respective dates that the same becomes due and payable, or in reimbursing Landlord as in the preceding Section 18.1 provided, and such failure shall continue for a period of twenty (20) days after notice of non-payment from Landlord, or (b) Tenant shall fail in the performance of any other of the covenants of this Lease to be kept and performed by it (other than as set forth in foregoing clause (a)) and if any such event described in this clause (b) shall thereafter continue for a period of thirty (30) days after written notice from Landlord to Tenant specifying the nature of said failure, or, if the same cannot be cured with due diligence within said 30-day period, if Tenant fails to proceed promptly after the service of such notice and with all due diligence to cure the same thereafter prosecute the curing thereof with all due diligence (it being intended that in connection with a failure not susceptible of being cured with due diligence within thirty (30) days that the time within which Tenant has to cure the same shall be extended for such period as may be necessary to complete the same with all due diligence), or (c) if Tenant shall file an application for, or consent to, the appointment of a receiver, trustee or liquidator of itself or of all of its assets, or file a voluntary petition in bankruptcy or file a pleading in any court of record admitting in writing its inability to pay its debts as they come due, or make a general assignment for the benefit of creditors or file an answer admitting the material allegations of, or its consenting to, or defaulting in answering, a petition filed against it in any bankruptcy proceeding, or (d) if any order, judgment or decree by any court of competent jurisdiction, is entered adjudicating Tenant a bankrupt, or appointing a receiver, trustee or liquidator of it or of all of its assets, and such

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order, judgment or decree continuing unstayed and in effect for any period of ninety (90) consecutive days, Landlord may treat any one or more of such events as an Event of Default and, provided Tenant has not given Landlord a notice (a "Dispute Notice") within fifteen (15) days after service of Landlord's notice of default pursuant to foregoing clauses (a) or (b), Landlord may thereupon, at its option, without further notice to Tenant, may have, in addition to all other remedies provided for herein, at its sole election, one or more of the following remedies:

(i) Landlord may terminate this Lease and the Lease Term created hereby, in which event Landlord may forthwith repossess the Leased Site and the Tenant's Building and be entitled to recover forthwith (A) as damages a sum of money equal to the present value of the Rent and other sums provided to be paid by Tenant for the balance of the Lease Term, and (B) any other sum of money and damages due or to become due to Landlord from Tenant. The present value of the Rent shall be calculated using a discount rate which is reasonable as of the date that Landlord elects to terminate this Lease. If such present value were being determined as of the date of this Lease, the parties agree that a reasonable discount rate would be eleven percent (11%) per annum.

(ii) Landlord may terminate Tenant's right of possession and may repossess the Leased Site and the Tenant's Building without terminating this Lease, in which event Landlord shall use reasonable efforts to relet all or any part of the Leased Site and the Tenant's Building for such rent and upon such terms as shall be reasonably satisfactory to Landlord (including the right to relet the Leased Site and the Tenant's Building for a term greater or lesser than that remaining under the Lease Term and the right to relet the Leased Site and the Tenant's Building as a part of a larger area and the right to change the character or use made of

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the Leased Site and the Tenant's Building). For the purpose of such reletting, Landlord, at no cost and expense to Tenant, may make such repairs, changes, alterations or additions in or to the Leased Site and the Tenant's Building that may be necessary or convenient. If the Leased Site and the Tenant's Building are relet and a sufficient sum shall not be realized from such reletting, after paying all of the costs and the expense of such reletting (but excluding any of the costs and expenses of such repairs, charges, alterations and additions) and the collection of the rent accruing therefrom, to satisfy the Rent above provided to be paid, Tenant shall satisfy and pay any such deficiency upon demand therefor from time to time; and Tenant agrees that Landlord may file suit to recover any sums falling due under the terms of this Section 18.2 from time to time and that any suit or recovery of any portion due Landlord hereunder shall be no defense to any subsequent action brought for any amount not theretofore reduced to judgment in favor of Landlord. If Landlord realizes an amount in excess of the Rent from such reletting, Landlord shall retain the excess and shall be under no obligation to account for the excess to the Tenant.

If Tenant gives a Dispute Notice as aforesaid, specifying why Tenant is not in default as claimed by Landlord, then the matter shall be submitted to arbitration pursuant to the provisions of Section 21.24 hereof. If the alleged default and Dispute Notice involves the payment of Rent or any other charges to be paid by Landlord then so long as the Landlord is Melvin Simon & Associates Inc. or an entity owned or controlled directly or indirectly thereby the Tenant shall deposit the Rent or other charges into an escrow account with Chicago Title & Trust Company to be disbursed in accordance with the decision rendered in the matter by the arbitration.

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18.3 Remedies Cumulative. Subject to Tenant's right to give Landlord a Dispute Notice and the arbitration of the matters set forth in such Dispute Notice, all as set forth in Section 18.2 hereof, and subject to Landlord's right to give Tenant a Dispute Notice and the arbitration of the matters set forth in such Dispute Notice, all as set forth in Section 18.6 hereof, each right, power and remedy of Landlord and Tenant provided for in this Lease shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Lease or in any other instrument or now or hereafter existing at law or in equity or by statute or otherwise (except where in this Lease the rights and remedies of either party are expressly limited), and the exercise or beginning of the exercise by Landlord or Tenant of any one or more of the rights, powers or remedies provided for in this Lease or in any other instrument or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Landlord or Tenant of any or all such other rights, powers or remedies. Notwithstanding anything contained in this Lease to the contrary, Landlord shall not be deemed to have elected to terminate this Lease unless such election is in writing and signed by Landlord. If the Landlord has terminated the Tenant's right to possession of the Lease Site and relets the Leased Site, such termination of possession and reletting shall not be deemed a waiver of the right of the Landlord to terminate this Lease at a subsequent date.

18.4 Attorneys' Fees. If at any time by reason of the failure of Tenant to keep and perform any covenant or agreement which, under the terms of this Lease, Tenant is bound and obligated to keep and perform, it becomes reasonably necessary for Landlord to employ an attorney at law to protect the rights and interests of Landlord in the Leased Site, or to enforce the Lease or proceed under it in any particular, then, in any of such events, and provided Landlord prevails over Tenant in such enforcement or proceeding, Tenant will owe and pay unto Landlord thirty (30)

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days after demand therefor all costs of court, costs of litigation and reasonable attorneys' fees incurred or expended by Landlord in taking such action.

If at any time by reason of the failure of Landlord to keep and perform any covenant or agreement which, under the terms of this Lease, Landlord is bound and obligated to keep and perform, it becomes reasonably necessary for Tenant to employ an attorney at law to protect the rights and interests of Tenant in the Leased Site, or to enforce the Lease or proceed under it in any particular, then, in any of such events, and provided Tenant prevails over Landlord in such enforcement or proceeding, Landlord will owe and pay unto Tenant thirty (30) days after demand therefor, all costs of court, costs of litigation and reasonable attorneys' fees incurred or expended by Tenant in taking such actions.

18.5 Surrender of the Leased Site and the Tenant's Building at the End of the Lease Term. Tenant shall, on or before the last day of the Lease Term, or on the sooner termination thereof or termination of Tenant's right of possession, peaceably and quietly leave, surrender and yield up unto Landlord the Leased Site and the Tenant's Building in good order and repair, excepting damage by fire or other casualty, acts of God, condemnation, civil riot and commotion, and excepting reasonable wear and tear between the last necessary repair, replacement or restoration, as applicable, made by Tenant pursuant to its obligations under this Lease.

18.6 Default by Landlord. If Landlord shall fail to perform any of the covenants of this Lease by it to be kept and performed and if such failure shall thereafter continue for a period of thirty (30) days after written notice from Tenant specifying the nature of said failure or, if the same cannot be cured with due diligence within said 30-day period, if Landlord fails to proceed promptly after the service of such notice and with all due diligence to cure the same and thereafter prosecute the curing thereof with all due diligence (it being intended that in connection with a failure not susceptible of being cured with due diligence within thirty (30) days that the time within which Landlord has to cure the same shall be

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extended for such period as may be necessary to complete the same with all due diligence), Tenant may treat any one or more of such defaults as a breach of this Lease and, provided Landlord has not given Tenant a Dispute Notice within fifteen (15) days after service of Tenant's notice of default, Tenant may have all remedies provided by law or equity except as specifically provided to the contrary in this Lease. In addition, Tenant shall have the right but not the duty to cure or attempt to cure a default on behalf of and at the expense of Landlord and to do all necessary work, incur any charge and make any expenditure in connection therewith, where the default is in the maintenance or repair of the Common Areas on the Burbank Site which is necessary for the use, operation or enjoyment of Tenant's Building as a retail store or the razing and landscaping of Landlord's Buildings following a casualty or taking and Landlord is not obligated to rebuild and Tenant by reason of so doing shall not be liable or responsible for any loss or damage thereby sustained by Landlord or anyone holding under Landlord.

Moreover, if the default of Landlord is a failure to maintain the Common Areas in accordance with the provisions of Article V hereof to pay Impositions or a default which may be cured by the payment of money or where Tenant performs an act on behalf of Landlord pursuant to this Lease, Tenant shall have the right to withhold its monthly maintenance payment or offset the cost and expense to cure the default or failure against the Rent; provided, however, that so long as the Landlord is Melvin Simon & Associates, Inc. or an entity owned or controlled directly or indirectly thereby or if the Landlord's Mortgagee is pursuing a foreclosure action against the Burbank Site, the Tenant shall not withhold its monthly maintenance payment or offset the cost and expense to cure the default or failure against the Rent and the parties shall submit the matter to arbitration as provided in Section 21.24 hereof. If the Tenant prevails and any award to Tenant made by the arbitrators is not promptly paid by Landlord to Tenant together with interest at the Default Interest Rate from the date of each such expenditure, the award shall be credited to the account of Tenant and

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be deducted by Tenant from any Rent then or thereafter falling due hereunder, together with all costs, fees and reasonable attorney fees in connection with the arbitration. If Landlord prevails it shall be entitled to all of its costs, fees and reasonable attorney fees in connection with the arbitration. If Landlord gives a Dispute Notice as aforesaid, specifying why Landlord is not in default as claimed by Tenant, then the matter shall be submitted to arbitration pursuant to the provisions of Section 21.24 hereof and Tenant shall have no right to withhold payments or (other than in an emergency) exercise any right of self-help or other remedy under this Lease.

18.7 Rights of Entry. Each party grants to the other non-exclusive rights of entry and non-exclusive easements for and during the Lease Term in, over and under any and all parts of their respective portions of the Burbank Site for all purposes reasonably necessary to enable such other party (acting directly or through agents, contractors, or subcontractors) so to perform any of the terms, provisions, covenants or conditions of this Lease which granting party shall have failed to perform and which such other party, in good faith, determines are reasonably required to be performed in order to enable such other party to make full use and enjoyment of its rights, privileges and estates. The right given in this Article XVIII shall not release either party from its obligations to perform the terms, provisions, covenants and conditions herein provided to be performed by it.

ARTICLE XIX

FORCE MAJEURE

19.1 Definition. As used herein, the term "force majeure" or "force majeure delay" is any delay in performance caused by strike; lock-out; war; fire; act of God; casualty; default or failure to perform (other than for fault of Landlord or Tenant, as the case may be) of any contractor, subcontractor or other person, firm or corporation; inability to procure labor or materials because of governmental limitations, restrictions or allocations; the inability (after making a bona fide effort to do so) to

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secure any governmental approval or permit required in connection with any construction or other work contemplated by this Lease; or the inability of either party hereto to perform because of the other party's fault; or other matter or thing beyond the reasonable control of the party hereto invoking the principle of force majeure (provided that inability to obtain financing or lack of funds shall not be considered force majeure).

Neither party shall be in default for failure to perform any of its obligations under this Lease during such period as it is prevented from doing so by force majeure and the time for performance by either party of such obligations shall be extended by the period equal to any force majeure delay, whether or not force majeure is specified in the provisions of this Lease creating such obligation as excusing or extending performance.

ARTICLE XX

REQUIREMENTS OF LAW, FIRE INSURANCE AND SELF-INSURANCE

20.1 Compliance by Tenant. During the Lease Term, Tenant, at its expense, shall promptly comply with all present and future laws, orders and regulations of all governmental and quasi-governmental departments, commissions and boards, and any direction of any public officer pursuant to law, and all orders, rules and regulations of any recognized local insurance rating body, which shall impose any violation, order or duty upon Landlord or Tenant with respect to the Leased Site (other than utilities installed by Landlord or which underlie the Leased Site all of which shall be the responsibility of Landlord) or the improvements thereon or the businesses conducted thereat. Tenant may, at its expense, lawfully contest and appeal any such laws, ordinances, orders, rules, regulations or requirements, provided the same is done with all reasonable promptness and diligence and provided that no such contest or appeal shall subject Landlord to prosecution for any criminal or civil offense, or constitute a default under any lease or mortgage of the Burbank Site under which Landlord may then be a party or be obligated, or cause the Leased Site or the Center, or any part of either thereof, to be adversely affected, or jeopardize Landlord's title to

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the Burbank Site, or any part thereof. Tenant shall not do or permit any act or thing to be done in or to the Leased Site or the improvements thereon which is then contrary to law, or which will invalidate or be in conflict with any policies of insurance at any time carried by or for the benefit of Landlord with respect to the Leased Site or the improvements thereon or the Center, or which might subject Landlord to any liability or responsibility to any person or party for personal injury or property damage.

20.2 Compliance by Landlord. Landlord shall promptly comply with, or cause to be complied with, all present and future laws, orders and ordinances and all rules and regulations of all governmental and quasi-governmental departments, commissions and boards, and any direction of any public officer pursuant to law, and all orders, rules and regulations of any recognized local insurance rating body, having or claiming jurisdiction of or with respect to the Burbank Site, the Center, the improvements thereon or the businesses conducted thereat, but not with respect to the Lease Site (other than utilities installed by Landlord or which underlie the Leased Site) or the improvements thereon or the business conducted thereat. Landlord may, at its expense, lawfully contest and appeal any such laws, ordinances, orders, rules, regulations or requirements, provided the same is done with all reasonable promptness and diligence and provided that no such contest or appeal shall subject Tenant to prosecution for any criminal or civil offense, or cause the Leased Site or the Center, or any part of either thereof, to be adversely affected, or jeopardize Tenant's title to the Tenant's Building or interest under this Lease. Landlord shall not do or permit any act or thing to be done in or to the Center which is then contrary to law, or which will invalidate or be in conflict with any policies of insurance at any time carried by or for the benefit of Tenant with respect to the Center, or which might subject Landlord to any liability or responsibility to any person or party for personal injury or property damage.

20.3 Self-Insurance. Any insurance coverage required to be carried by (a) Tenant under this Lease (including Article VII or Article

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VIII hereof) may be carried in whole or in part under any plan of self-insurance which Tenant may from time to time have in force and effect so long as Tenant shall have an unrestricted net worth of at least \$100,000,000, or (b) either party hereunder may be carried in whole or in part (i) under a "blanket" policy or policies covering other properties of such party and any subsidiary, controlling or controlled corporations or (ii) partially under an excess ("umbrella") policy, provided that such blanket and umbrella policies, together with the basic policy which it supplements, shall provide total coverage meeting the requirements of this Lease. If either party to this Lease self-insures, in whole or in part, against any risk or loss and there is a loss under which the other party to this Lease is entitled under this Lease to receive insurance proceeds (or to have insurance proceeds deposited in escrow), then the self-insuring party shall pay to the other party (or into escrow with Landlord's Mortgagee, if applicable) an amount equal to that which the other party otherwise would be entitled to receive under this Lease as insurance proceeds (or which otherwise would be required to be deposited in escrow). Any such payment shall be due and payable upon demand after the amount of such payment is reasonably determinable. If the parties are unable to agree as to the amount of such payment, such amount shall be determined by arbitration pursuant to the provisions of Section 21.24 hereof. As used in this Lease, the concept of self-insurance shall include the circumstance where either party carries insurance but where the deductible under the policy or policies exceeds a claim or judgment, in the case of liability insurance, and exceeds the cost to restore the damaged improvements, in the case of casualty insurance. If Landlord is an entity owned or controlled, directly or indirectly by Melvin Simon & Associates, Inc., Landlord shall not be required to deposit the amount of any deductible in an escrow. In the event the Tenant elects to self-insure, the Tenant, from time to time and upon request of the Landlord, shall give a notice to the Landlord advising the Landlord of the election of the Tenant to self-insure. If the Tenant

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ceases to self-insure the Tenant shall give a notice to this effect to the Landlord also.

20.4 Form of Policies. At any time either party hereto does not have the right to self-insure as permitted in this Lease, the insurance to be maintained by such party pursuant to Article VII or Article VIII shall be effected under valid and enforceable policies issued by insurers of recognized responsibility which insurers shall: (a) have been in business for at least five (5) years, (b) have a Best policy holder rating of "A" or better, (c) have a Best financial rating of Class XIII or better, (d) have a loss adjustment and underwriting experience acceptable to both Landlord and Tenant, and (e) shall be licensed to write insurance in the State of Illinois. Any policy shall provide that such policy shall not be cancelled without at least ten (10) days' prior written notice to the Landlord and Tenant.

20.5 Certificates of Insurance. Each party upon request of the other shall deliver to the other a certificate evidencing the insurance required to be carried pursuant to this Lease is in full force and effect. Provided, however, to the extent that either Landlord or Tenant has the right to self-insure under this Lease, the party having such right shall not be required to furnish such certificates, but shall certify that such required coverages are maintained through self-insurance.

ARTICLE XXI

MISCELLANEOUS

21.1 Tenant Not to Encumber Landlord's Interest in the Burbank Site. Tenant covenants and agrees with Landlord that nothing contained in this Lease shall ever be construed as empowering Tenant to encumber, or cause the Landlord to encumber, the title or interest of the Landlord in and to the Burbank Site.

21.2 Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon complying with the obligations of Tenant hereunder, and subject to the provisions hereof, shall lawfully and quietly enjoy the Leased Premises and Tenant's rights hereunder during the Lease Term without

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hindrance or molestation by Landlord or any persons claiming under Landlord.

21.3 Estoppel Certificates. Each party, from time to time within thirty (30) days following written request by the other party, shall execute, acknowledge and deliver to the requesting party or its designee a written statement certifying to such requesting party or to such other person or entity as such requesting party may designate (a) the commencement and expiration dates of the Lease Term, (b) the Opening Date, (c) 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 setting forth the modifications), (d) the dates to which Rent and other payments due under this Lease from Tenant have been paid in advance, if any, and (e) whether or not to the best knowledge of the party signing such certificate the requesting party is in default in the performance of any term, covenant or condition contained in this Lease, and, if so, specifying each such default of which the signing party may have knowledge. Such certificate shall also set forth such other information regarding this Lease as may reasonably be requested.

21.4 Notice to Mortgagee(s). If either party shall give the other any notice of a default or breach, a written notice of such breach or default shall simultaneously be given to the beneficial holder of each mortgage (which term includes deed of trust) on the Center, the Leased Site or the Tenant's Building (provided the party giving notice has received written notice as herein provided of such mortgage, including the name and address of the then holder of such mortgage) by registered or certified mail, and such holder(s) shall be permitted to correct or remedy such breach or default within the same time within which the defaulting party may do so and with like effect as if the defaulting party had done so. Failure to give such holder(s) the notice provided in this Section 21.4 shall not be deemed a default under this Lease, but no notice given by the party giving notice of any default or breach shall be deemed binding upon such mortgagee until such notice shall have been given as in this Section 21.4 provided. If the

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default would allow the non-defaulting party to terminate this Lease, the mortgagee of the defaulting party's Site shall have a reasonable additional time to cure the default but not in excess of sixty (60) days after the time given the defaulting party in which to cure the default provided however the provisions of this sentence shall not be applicable to a default allowing Tenant to terminate its Operating Covenant or a default by Tenant under Article XIII or Article XVI.

21.5 Tenant's Contribution Toward Promotional Activities. If Landlord shall establish an advertising promotional service to furnish and maintain professional advertising and sales promotions which will benefit all merchants of the shopping center and the provisions of this Section 21.5 are all complied with, then during the Lease Term, Tenant shall pay an annual fee (payable in equal monthly installments, with the first such installment due on the first day of the first month following the satisfaction of the foregoing requirements) of Seven Cents (\$.07) per square foot of Tenant's Floor Area to the Landlord as Tenant's contribution toward promotional activities for the Center. The monies received by Landlord under this paragraph shall be used for the purpose of advertising the shopping center, including the administration and management thereof. The Landlord shall contribute not less than twenty-five percent (25%) of the cost of the promotional activities for the Center. Moreover, the obligation of the Tenant to contribute to the promotional activities shall arise and shall continue only so long as not less than seventy percent (70%) of all other tenants in the shopping Center, as measured by the Floor Area of the Center, contribute to the promotional activities fund and any occupant, tenant or owner of 35,000 square feet of Floor Area is also a member paying an annual fee not less than \$.07 per square foot of Floor Area.

21.6 Notices. Wherever in this Lease it shall be required or permitted that notice, request, demand, consent or approval be given or served by either party to this Lease to or on the other party hereto, such notice, request, demand, consent or approval shall be written and shall be deemed to have been duly given or served either upon personal delivery or

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upon delivery by express or courier service (such as Federal Express) or upon two (2) business days having elapsed after deposit in the United States Mail, certified or registered mail, return receipt requested, postage prepaid. Notices shall be addressed as follows:

(a) If to Landlord at: Burbank Associates
Merchants Plaza P.O. Box 7033
Indianapolis, Indiana 46207

With a copy to:
Dann, Pecar, Newman,
Talesnick & Kleiman
151 N. Delaware Street
Indianapolis, Indiana
Attn: Philip D. Pecar, Esq.

(b) If to Tenant at: Mainstreet
555 Skokie Blvd.
Suite 285
Northbrook, Illinois 60062
Attn: Chief Executive Officer

AND

Federated Department Stores, Inc.
7 West Seventh Street
Cincinnati, Ohio 45202
Attn: Real Estate Department

Such addresses may be changed from time to time by either party by serving notices as above provided.

21.7 No Broker. Tenant and Landlord each represents and warrants to the other that no broker or finder was instrumental in connection with the execution of this Lease and each agrees to indemnify and hold the other harmless of and from and against all liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees) arising from any claim by any such broker or finder arising out of the acts of the indemnifying party.

21.8 Limitation on Landlord's Liability. Tenant shall look solely to the estate and property of Landlord in and to Burbank Site, including, without limitation, any insurance proceeds, condemnation awards, rents, issues, profits and other income therefrom, for the collection of any judgment (or any other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed

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and performed by Landlord, and no other property or estate of Landlord shall be subject to levy, execution or other enforcement procedures for the satisfaction of Tenant's remedies. It is expressly understood and agreed that nothing herein shall be construed as creating, and nothing herein shall create any personal liability on the beneficiaries of Trust No. 59691 (or upon any person or entity possessing an interest in beneficiary) or upon any owner of all or part of the Burbank Site, or any partner, beneficiary or other person or entity having an interest in an owner of all or any part of the Burbank Site.

21.9 Operating Agreement. The Total Property is subject to a reciprocal easement and operating agreement between Landlord and Super Valu Stores Inc. entitled "Declaration of Protective Covenants, Restrictions and Easements" and which has been recorded in the Office of the Recorder of Deeds of Cook County Illinois as document No. _____ (the "Operating Agreement") providing, among other things, for cross-parking easements, sign easements and criteria, access easements, permissible building areas, use restrictions, insurance and rebuilding obligations, maintenance standards, utility easements, and other terms and conditions. Tenant hereby consents to and confirms the Operating Agreement which the Landlord agrees shall be subject to no amendments, modifications, cancellation or termination without the express written approval of Tenant which approval shall not be unreasonably withheld except for changes which materially affect the Tenant's use and enjoyment of the Tenant's Building and the Center including but not limited to changes in permissible building area, access and roads, parking area and ratios, and the use of the Total Property or any portion thereof, in which cases approval may be unreasonably withheld. Landlord covenants to comply with and preserve the rights and benefits inuring to the Tenant under this Lease but which arise from the Operating Agreement. The Landlord shall in its sole discretion determine the means of enforcement of the provisions of the Operating Agreement and shall not be in default hereunder so long as Landlord is pursuing diligently and in good faith such enforcement.

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

21.11 Publicity. Landlord and Tenant each agrees that it will not issue prior to the Opening Date any statement or publicity release or otherwise publicize this Lease except in such form and at such time as may be approved by both Landlord and Tenant.

21.12 Not Joint Venture. Nothing contained in this Lease shall be construed to make the parties partners or joint venturers or to render any of said parties liable for the debts or obligations of the others.

21.13 Third Parties. This Lease is made for the exclusive benefit of the parties hereto and their successors and assigns herein permitted and not for any third person. Nothing in this Lease, expressed or implied, is intended to confer upon any person, other than the parties hereto and their permitted successors and assigns, any rights or remedies under or by this Lease.

21.14 Waivers. No delay or omission by either of the parties hereto to exercise any right or power accruing upon any non-compliance or failure of performance by the other party under the provisions of this Lease, shall impair any such right or power or be construed to be a waiver thereof. The failure herein to specify a right, power or remedy accruing upon any non-compliance or failure of performance by either of the parties hereto shall not be construed to be a waiver thereof as impairing the right of the party thereby aggrieved to all remedies then available to it at law or in equity by reason of such non-compliance or failure of performance. A waiver by either of the parties hereto of performance of any of the covenants, conditions or agreements hereof to be performed by the other party

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hereto shall not be construed to be a waiver of any succeeding breach thereof or of any other covenant, condition or agreement herein contained.

21.15 Modification. None of the covenants, terms or conditions of this Lease to be kept and performed by either party to this Lease shall in any manner be waived, modified, changed or abandoned except by a written instrument duly signed, acknowledged and delivered by the other party to this Lease.

21.16 Illinois Law. This Lease shall be construed and enforced in accordance with the laws of the State of Illinois.

21.17 Captions. The Table of Contents preceding this Lease and the Article and Section headings or captions are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease, nor in any way affect this Lease.

21.18 Conditions and Covenants. All the provisions of this Lease shall be deemed and construed to be "conditions" as well as "covenants", as though the words specifically expressing or importing covenants and conditions were used in each separate provision hereof.

21.19 Time of Essence of Covenants of this Lease. Time is of the essence as to the covenants in this Lease.

21.20 Consents. Whenever under any terms or provisions of this Lease either party's consent or approval is required or requested or performance by either party of any act or other matter or thing is to be to the satisfaction of or acceptable to the other party, such consent or approval shall not be unreasonably withheld or unduly delayed and such party shall not be unreasonable in withholding its satisfaction or acceptance except as expressly provided to the contrary herein and except also for (i) revisions to the Plot Plan which do not conform to Section 9.1 hereof, (ii) the location of a theater if either or both the building designated as "Service Merchandise" or the building designated as "H.O.W.'s" on the Plot Plan is built, and (iii) the design of the Buildings in Burbank Center or the Operating Agreement which do not conform to Section 21.9 hereof in which cases consent or approval may be unreasonably withheld.

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21.21 Covenants to Run with the Land. All the covenants, agreements, conditions and undertakings in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, distributees, successors and assigns of each of the parties hereto, the same as if they were in every case named and expressed, and the same shall be construed as covenants running with the land. Whosoever in this Lease reference is made to any of the parties hereto, it shall be held to include and apply to, wherever applicable, also the heirs, executors, administrators, distributees, successors and assigns of each such party, the same as if in each and every case so expressed.

21.22 Emergency Access. Except in an emergency situation in which it is necessary for the Landlord to enter the Leased Site or the Tenant Building, the Landlord shall have no right to enter the Leased Site or the Tenant Building other than with the express approval of the Tenant. As used herein, an emergency situation shall mean a situation impairing or imminently likely to impair structural support of the building or causing an imminent likelihood to cause bodily injury to persons or substantial physical damage to the building.

21.23 Determination by Arbitration. In the event of the failure of the parties to agree as to any matter which under the terms of this Lease is to be determined by arbitration, or in the event Tenant delivers to Landlord a Dispute Notice as provided in Section 18.2 hereof or in the event Landlord delivers to Tenant a Dispute Notice as provided in Section 18.6 hereof, such dispute shall be determined by arbitration as hereinafter provided. Landlord and Tenant shall each appoint a fit and impartial person as arbitrator within twenty (20) days after written notice is given by either party to make such appointment. Each such arbitrator shall have had at least ten (10) years' experience as to the subject matter of the dispute and where the matter submitted to arbitration is the purchase price or value of the Tenant's Building each such arbitrator shall also be a Member of the American Institute of Real Estate Appraisers. Such appointment shall be signified in writing by each party to the other. If either