

Suite Number: 670
Tenant Name: ABC, Inc.
Lease Date: 7/11/94
Amendments, if any: 3/15/95 (1st Amendment)
 3/16/95 (Commencement Date Letter)
 1/26/98 (2nd Amendment)
 12/3/98 (3rd Amendment)
Square Footage: 4,193 – existing space
 2,917 – expansion space
 7,110 TOTAL (3rd Amend.)
Term: 1/27/95 - 1/31/08 for existing space
 9/4/98 – 1/31/08 for expansion space (2nd Amend.; Comm. Date Ltr.)
Renewal Options (with date, rent & required notice period): 2 @ 5 yrs upon 90 days’ notice. (3rd Amend.; 2nd Amend.)
Fixed Minimum Rent: (3rd Amend.)

existing space				
Period	Annual Rent	Monthly Rent	Annual Rent/SF	SF
2/1/02 - 1/31/08	\$92,246.00	\$7,687.17	\$22.00	4,193
Options				
2/1/08 - 1/31/13	\$100,632.00	\$8,386.00	\$24.00	4,193
2/1/13 - 1/31/18	\$109,018.00	\$9,084.83	\$26.00	4,193
expansion space				
Period	Annual Rent	Monthly Rent	Annual Rent/SF	SF
2/1/02 - 1/31/08	\$64,174.00	\$5,347.83	\$22.00	2,917
Options				
2/1/08 - 1/31/13	\$70,008.00	\$5,834.00	\$24.00	2,917
2/1/13 - 1/31/18	\$75,842.00	\$6,320.17	\$26.00	2,917

Free Rent Period: None
Percentage Rent (% and breakpoints): 4% of gross sales over natural BP. (3rd Amend.)
Common Area Maintenance: Existing Space: fixed at \$1.50/psf as of LCD (1/27/95); PRS thereafter w/ annual increases capped at 5%. (Section 24)
 Expansion Space: PRS, capped at \$5.20/psf as of the 2nd Amend. Comm. Date (9/4/98 at the latest). Annual increases in T’s PRS of

CAM for the Expansion Space capped at 5%. (2nd Amend.)

CAM includes costs of management, cleaning, repairing, replacing, lighting, cleaning, painting, striping, policing & security patrol; insurance; fire protection charges; workers' comp; removal of snow, ice, litter, garbage; sprinkler system maintenance; supplies, utilities, installation & removal of community projects; traffic regulation & parking; inspection & depreciation of machinery & equipment used in common area operation, maintenance; maintenance & replacement of curbs, walkways, landscaping, drainage & lighting facilities; planting & replacing flowers, trees & shrubbery; music program services & speaker systems; HVAC for common areas; purchase/lease of decorations; cost of water for fountains; costs of personnel to implement the foregoing; plus 15% admin. fee (exclusive of real estate taxes). (Section 24; 2nd Amend. Ex. C)

Excluded from CAM: (i) capital expenses or costs of construction of addtl. bldgs, common areas or parking areas, (ii) TI's, (iii) costs of lease enforcement, (iv) LC's. (Section 24; 2nd Amend. Ex. C)

PRS (Section 16; 3rd Amend.; 2nd Amend.)

Real Estate Taxes:

Silent

Management Fee (Inc/excl):

Insurance (Included/excluded):

Included in operating costs. (Section 24; 2nd Amend.)

Utilities (Included/excluded):

Excluded; T pays for all utilities to Demised Premises. LL is not entitled to any profits. (Section 25)

Any Special Expense Calculations:

Trash Removal: for the existing space, T paid initial charge of \$50/mo or such other amt. determined by LL; annual increases capped at 5% every 2 yrs. For the expansion space, T paid initial charge of \$.20/psf as of the 2nd Amendment Commencement Date (or such other amt. as determined by LL to be T's PRS); increases capped at 5% every 2 yrs. (Section 1(n)); 2nd Amend.)

Mkt: initial contribution of \$.50/psf/yr as of the applicable commencement date w/ \$.05/psf annual increases. (Section 38; 2nd Amend.)

Pro Rata Share Calculation:

Floor area of Demised Premises/GLA of S/C which is actually leased & occupied, exclusive of Dept. Stores > 100,000 sf; 90% gross-up. (Section 16; Section 24; 2nd Amend.)

Tenant Option to Purchase:

Silent

Tenant Right of First Refusal:

T has a ROFR on Space #646 at same rate psf as existing Leased Premises. (2nd Amend.)

Covenant to Operate:

T only obligated to continuously operate for the first 5 years of the Lease Term; thereafter T may cease operations (in which case LL has termination rights if T closed for > 60 days). (Addendum)

Occupancy / Co-Tenancy:	If: (i) Hudson Belk and/or Hecht's ceases to operate for 90+ days; and/or (ii) < 85% of retail mall space, exclusive of Dept. Stores, is open for 90+ days, then T shall pay in lieu of min. rent and addtl. rent 5% of gross sales monthly. (2 nd Amend.)
Termination Rights:	None
Subletting or Assignment Rights:	Subject to permitted transfers to a parent or subsidiary or acquiring entity, T may not assign or sublease w/o LL's prior written consent, NTBUW. T remains liable. (Section 43; Addendum) T may grant concessions of up to 10% of floor area for operation of one or more depts. of the Permitted Uses w/o LL's prior written consent. (Section 31)
TI Allowance:	\$300,000 for Existing Space (Addendum 2) \$150,000 for Expansion Space. (2 nd Amend.)
Guarantor:	N/A
Financials/Tax Returns Required for T/ Guarantor(s):	Silent
Required to Report Sales (Give frequency and timeframe):	Within 20 days of month-end; annual statement of gross sales due w/in 60 days of Lease Year end. (Section 12)
Security Deposit (including conditions to early return):	N/A
Miscellaneous:	N/A
Reviewer:	JPW; 2/7/07