



Office of the Chicago City
Clerk



O2012-54

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	1/18/2012
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Lease agreement with Cook County at 69 West Washington St.
Committee(s) Assignment:	Committee on Housing and Real Estate



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

January 18, 2012

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of a lease agreement regarding property at 69 West Washington.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1: On behalf of the City of Chicago as Tenant, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Lease with Cook County as Landlord governing the use of approximately 810 square feet of office space located at 69 West Washington Street, Suite 1420, for use by the Office of the Inspector General; such Lease to be approved by the Inspector General and approved as to form and legality by the Corporation Counsel in substantially the following form:

COOK COUNTY ADMINISTRATION BUILDING

OFFICE LEASE

Between

THE COUNTY OF COOK
a Body Corporate and Politic

LANDLORD

and

THE CITY OF CHICAGO
an Illinois Municipal Corporation and Home Rule Unit of Government

TENANT

Dated: , _____

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OFFICE LEASE

This Office Lease (this "**Lease**") is made and entered into as of the ____ day of _____, 2012, by and between the County Of Cook, a body corporate and politic hereinafter referred to as "**Landlord**"), and the City of Chicago, an Illinois Municipal Corporation and Home Rule Unit of Government (hereinafter referred to as "**Tenant**").

ARTICLE 1 GRANT OF LEASE; PREMISES

1 Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the premises outlined in the floor plan attached hereto as **Exhibit A** and hereby made a part hereof (hereinafter referred to as the "**Premises**") consisting of approximately 810 rentable square feet, located on the 14th floor of the building located at 69 West Washington Street, Chicago, Illinois 60602, and known as the George W. Dunne Cook County Office Building (hereinafter referred to as the "**Building**").

ARTICLE 2 TERM; POSSESSION

2 **Term.** The term of this Lease (hereinafter referred to as the "**Term**") shall commence on to the date of execution (the "**Commencement Date**") and shall end on February 28, 2017 (hereinafter, as the same may be adjusted as hereinafter provided, referred to as the "**Expiration Date**"), unless sooner terminated as provided herein.

2.1 **Possession.** Except as otherwise provided in the Lease, no agreement of Landlord to alter, remodel, decorate, clean or improve the Premises (or to provide Tenant with any credit or allowance for the same), and no representation regarding the condition of the Building or the Premises has been made by or on behalf of Landlord or relied upon by Tenant under or by reason of this Lease.

2.2 **Lease Year Defined.** As used in this Lease, the term "Lease Year" shall mean (i) if the Commencement Date is the first day of a calendar month, the twelve (12) month period commencing on the Commencement Date or (ii) if the Commencement Date is not the first day of a calendar month, the period commencing on the Commencement Date and ending on the last day of the twelfth (12th) full calendar month of the Term, and, in either case, each succeeding twelve (12) month period thereafter which falls in whole or in part during the Term.

ARTICLE 3 BASE RENT

3 **Base Rent.** During the Term, Tenant shall pay an annual Base Rent in the amount of One Dollar (\$1.00) in advance on the first day of the Term and on each anniversary of the Commencement Date thereafter during the Term. In addition to Base Rent, and included in Tenant's Rent Adjustments for the first Lease Year, Tenant shall pay the amount of \$2,281.24, payable in twelve monthly installments of \$190.10, beginning on the Commencement Date, and on the first of each calendar month throughout the first Lease Year. Such amount is for the purpose of reimbursing Landlord for the cost of Landlord's Work, as described in the Work Letter attached as **Exhibit A**, and therefore will be increased by the cost of any changes to

Landlord's Work requested by Tenant. At Tenant's option, Tenant may pay the full amount owed in lieu of continuing such monthly installments.

3.1 Manner of Payment. Base Rent, Rent Adjustments (as hereinafter defined), Rent Adjustment Deposits (as hereinafter defined) and all other amounts becoming due from Tenant to Landlord hereunder (hereinafter collectively referred to as "Rent") shall be paid in lawful money of the United States to Landlord at the office of Landlord, or as otherwise designated from time to time by written notice from Landlord to Tenant. The payment of Rent hereunder is independent of each and every other covenant and agreement contained in this Lease, and Rent shall be paid without any setoff, abatement, counterclaim or deduction whatsoever except as may be expressly provided herein. Concurrently with the execution hereof, Tenant shall pay Landlord Monthly Base Rent for the first full calendar month of the Term.

ARTICLE 4 RENT ADJUSTMENTS

4 Obligation to Pay Rent Adjustments. In addition to paying Base Rent, Tenant shall also pay as additional rent the amounts determined in accordance with this Article (hereinafter referred to as "Rent Adjustments"):

4.1 Definitions. As used in this Lease the capitalized terms below shall have the meanings herein set forth.

4.1.1 "Adjustment Date" shall mean the first day of the Term and each January 1 thereafter falling within the Term.

4.1.2 "Adjustment Year" shall mean each calendar year during which an Adjustment Date falls.

4.1.3 "Expenses" shall mean and include those costs and expenses paid or incurred by or on behalf of Landlord for owning, managing, operating, maintaining and repairing the Building, the plaza adjacent to the Building (the "**Plaza**"), the underlying land (hereinafter referred to as the "**Land**") and the personal property used in conjunction therewith (the Building, the Plaza and the Land hereinafter collectively referred to as the "**Real Property**" and the Real Property and such personalty hereinafter collectively referred to as the "**Project**"), including, without limitation, the cost of security and security devices and systems; snow, ice and trash removal; cleaning and sweeping; planting and replacing decorations, flowers and landscaping; maintenance, repair and replacement of utility systems, elevators and escalators (but including replacement only to the extent of replacement of parts and components incidental to the maintenance and repair thereof or if the cost thereof would be includable in Expenses pursuant to subsection 4.1.3.1, and not to the extent replacement of any item would constitute a capital improvement or a capital expenditure which is excluded from Expenses as hereinafter provided); electricity, steam, water, sewer, fuel, heating, lighting and air conditioning; window cleaning; janitorial service; insurance, including, but not limited to, fire, extended coverage, all risk, liability, workmen's compensation, elevator and any other insurance carried by Landlord and applicable to the Project; painting; uniforms; management fees; supplies; sundries; sales or use taxes on supplies and services; wages

and salaries of all persons engaged in the operation, management, maintenance or repair of the Project, and so-called fringe benefits, including social security taxes, unemployment insurance taxes, cost for providing coverage for disability benefits, cost of any pensions, hospitalization, welfare or retirement plans, and any other similar expenses incurred under the provisions of any collective bargaining agreement, or any other cost or expense which Landlord pays or incurs to provide benefits for employees so engaged in the operation, management, maintenance or repair of the Project; the charges of any independent contractor who, under contract with Landlord or its representatives, does any of the work of operating, managing, maintaining or repairing the Project; legal and accounting expenses, including, but not limited to, such expenses that relate to seeking or obtaining reductions in and refunds of real estate taxes; and any other expense or charge, whether or not hereinbefore mentioned, which, in accordance with generally accepted accounting and management principles, would be considered an expense of owning, managing, operating, maintaining or repairing the Project, except as hereinafter provided. Expenses shall not include costs or other items included within the meaning of the term "Taxes" (as hereinafter defined), costs of alterations of the premises of tenants of the Building, costs of capital improvements to the Building (except as hereinafter provided), depreciation charges, interest and principal payments on mortgages, ground rental payments, real estate brokerage and leasing commissions, other expenses incurred in leasing or in procuring tenants, any expenditures for services which are provided to one or more tenants but are not available generally to all office tenants, and any expenditures for which Landlord has been reimbursed (other than pursuant to this Article or provisions in other leases requiring the tenants thereunder to pay a share of expenses associated with the Building), except as hereinafter provided.

Notwithstanding anything contained in this clause 4.1.3 to the contrary:

4.1.3.1 The cost of any capital improvements to the Building made after the date of this Lease which are intended to reduce Expenses or which are required under any governmental laws, regulations or ordinances which were not applicable to the Building at the time it was constructed, amortized over such reasonable period as Landlord shall determine, together with interest on the unamortized cost of any such improvement (at the prevailing construction loan rate available to Landlord on the date the cost of such improvement was incurred) shall be included in Expenses.

4.1.3.2 If the Building is not at least ninety-five percent (95%) occupied by tenants during all or a portion of any Adjustment Year, or if during all or a portion of any Adjustment Year Landlord is not furnishing to any tenant or tenants any particular service, the cost of which, if furnished by Landlord, would be included in Expenses, then Landlord may elect to make an adjustment for such year of components of Expenses and the amounts thereof which may vary depending upon the occupancy level of the Building or the number of tenants using the service. Any such adjustments shall be deemed costs and expenses paid or incurred by Landlord and included in Expenses for such year, as if the Building had been ninety-five percent (95%) occupied during the entire Adjustment Year, Landlord had furnished such service at its expense to all tenants for the entire Adjustment Year and Landlord had paid or incurred such costs and expenses for such year.

4.1.3.3 If any item of Expenses, although paid or incurred in one year, relates to more

than one calendar year, at the option of Landlord, such item may be allocated proportionately among such related calendar years.

4.1.4 "Taxes." The Building is currently 100% exempt from Taxes (hereinafter defined). In lieu of Taxes, Leasehold Taxes (hereinafter defined) are imposed upon non-exempt entities leasing space in the Building, in accordance with 35 ILCS 200/15-60. It is the expectation of the parties that this Lease will be treated as exempt from Leasehold Taxes. However, if any Leasehold Taxes are levied on this Lease, such Leasehold Taxes shall be the responsibility of Tenant. In addition, if at any time the Building is sold or otherwise becomes non-exempt, the responsibility of Tenant regarding Taxes will be as set forth herein. If at any time the Real Property is not so exempt, then "**Taxes**" shall mean real estate taxes, general or special assessments sewer rents, rates and charges, transit and transit district taxes, taxes based upon the receipt of rent, and any other federal, state or local governmental charge, whether general, special, ordinary or extraordinary (but not including income or franchise taxes or any other taxes imposed upon or measured by Landlord's income or profits, except as provided herein), which may be assessed or imposed against the Real Property. Notwithstanding the year for which any such taxes or assessments are levied, (A) in the case of taxes or special assessments which may be paid in installments, the amount of each installment, plus any interest payable thereon, paid during a calendar year shall be included in Taxes for that year and (B) if any taxes or assessments payable during any calendar year shall be computed with respect to a period in excess of twelve (12) calendar months, then taxes or assessments applicable to the excess period shall be included in Taxes for that year. Except as provided in the preceding sentence, all references to Taxes "for" a particular year shall be deemed to refer to taxes levied, assessed or otherwise imposed for such year without regard to when such taxes are payable.

4.1.5 "Leasehold Taxes" shall mean any tax imposed upon Tenant's leasehold. Said Leasehold Taxes shall be in substitution of any general real estate taxes which would otherwise have been levied, assessed or otherwise imposed against the Real Property due to its exempt status.

4.1.6 "Rentable Area of the Building" shall mean the sum of the areas on all floors of the Building computed by measuring to the center line of the exterior glass and excluding only public stairs, elevator shafts, flues, stacks, pipe shafts and vertical ducts ("vertical penetrations"). No deduction shall be made for columns or projections. The Rentable Area of the Building shall be deemed to be 720,979 square feet.

4.1.7 "Rentable Area of the Premises" shall be deemed to be eight hundred ten (810) square feet.

4.1.8 "Tenant's Proportionate Share" shall mean one-hundred-twelve thousandths of one percent (0.112%), which is the percentage obtained by dividing the Rentable Area of the Premises by the Rentable Area of the Building. Notwithstanding the foregoing, if for any Adjustment Year a portion but not all of the Real Property (including the Premises) is subject to Taxes (for example due to the lease of such portion of the Building to non-governmental entities or for non-exempt purposes) then in determining the Tax Adjustment, the "Tenant's Proportionate Share" shall mean the percentage obtained by dividing the Rentable Area of the Premises by the Rentable Area of the portion of the

Building which is not exempted from Taxes as determined by the Landlord.

4.1.9 "Rent Adjustments" shall mean all amounts determined pursuant to this Article, including all amounts payable by Tenant to Landlord on account thereof.

4.2 Computation of Rent Adjustments. Tenant shall pay Rent Adjustments for each Adjustment Year determined as hereinafter set forth. Rent Adjustments payable by Tenant with respect to each Adjustment Year during which an Adjustment Date falls shall include the following amounts:

4.2.1 the product of Tenant's Proportionate Share multiplied by the amount of Taxes for such Adjustment Year, if any (said product plus Tenant's Leasehold Taxes being hereinafter referred to as the "**Tax Adjustment**"); plus

4.2.2 Leasehold Taxes assessed on this Lease for such Adjustment Year, if any; plus

4.2.3 the product of Tenant's Proportionate Share multiplied by the amount of Expenses for such Adjustment Year (said product being hereinafter referred to as the "**Expense Adjustment**").

4.3 Acknowledgement of Tenant. Tenant agrees and acknowledges that Landlord has made no representation, warranty or guaranty relating to the amount of Taxes, Leasehold Taxes and Expenses. Tenant has had an opportunity to consult with Landlord with respect to the Taxes, Leasehold Taxes and Expenses projected for the operation of the Building but has not relied upon any statements or representations of Landlord or of any agent or affiliate of Landlord in regard thereto in executing this Lease and in agreeing to perform the terms and covenants hereof and shall make no claim against Landlord based thereon.

4.4 Payments of Rent Adjustments; Projections. Tenant shall make payments on account of Tax Adjustment and Expense Adjustment (the aggregate of such payments with respect to any Adjustment Year being hereinafter referred to as the "**Rent Adjustment Deposit**") as follows:

4.4.1 Prior to each Adjustment Date and from time to time during the Adjustment Year in which such Adjustment Date falls, Landlord may deliver to Tenant a written notice or notices (each such notice being hereinafter referred to as a "Projection Notice") setting forth (A) Landlord's reasonable estimates, forecasts or projections (collectively, the "Projections") of either or all of Taxes, Leasehold Taxes and Expenses for such Adjustment Year and (B) Tenant's Rent Adjustment Deposits with respect to the Tax Adjustment and Expense Adjustment components of Rent Adjustments for such Adjustment Year based upon the Projections. Landlord's budgets of Expenses and the Projections based thereon may assume ninety-five percent (95%) occupancy of the Building and that Landlord will furnish all services included in Expenses to all tenants of the Building.

4.4.2 Tenant shall commence payments of monthly installments of Rent Adjustment Deposits on the first day of the first calendar month during the Term following Landlord's delivery of the first Projection Notice hereunder. On such date, and on or before the first day of each calendar month thereafter of the Adjustment Year covered by such Projection Notice, Tenant shall pay to Landlord one-twelfth (1/12) of the Rent Adjustment Deposits shown in the Projection Notice. Within thirty (30) days following

Landlord's delivery of a Projection Notice for an Adjustment Year in progress, Tenant also shall pay Landlord a lump sum equal to the Rent Adjustment Deposits shown in the Projection Notice less the sum of (A) any previous payments on account of Rent Adjustment Deposits made with respect to such Adjustment Year and (B) monthly installments on account of Rent Adjustment Deposits due for the remainder of such Adjustment Year. Until such time as Landlord furnishes a Projection Notice for an Adjustment Year, Tenant shall continue to pay monthly installments of Rent Adjustment Deposits in the amount shown by the most recent Projection Notice or, if the Tax and Expense Adjustment for the Adjustment Year covered by such Projection Notice has been determined, one-twelfth (1/12) of such Tax and Expense Adjustment, whichever is greater.

4.5 Readjustments. The following readjustments shall be made by Landlord and Tenant for Expense Adjustment and Tax Adjustment:

4.5.1 Landlord's Expense Statement. Following the end of each Adjustment Year and after Landlord has determined the actual amount of Expenses to be used in calculating the Expense Adjustment for such Adjustment Year, Landlord shall notify Tenant in writing (any such notice hereinafter referred to as "*Landlord's Expense Statement*") of such Expenses and Tenant's Expense Adjustment for such Adjustment Year. If the Expense Adjustment owed for such Adjustment Year exceeds the Expense Adjustment component of the Rent Adjustment Deposits paid by Tenant during such Adjustment Year, then Tenant, within thirty (30) days after the date of Landlord's Expense Statement, shall pay to Landlord an amount equal to the excess of the Expense Adjustment over the Expense Adjustment component of the Rent Adjustment Deposits paid by Tenant during such Adjustment Year. If the Expense Adjustment component of the Rent Adjustment Deposits paid by Tenant during such Adjustment Year exceeds the Expense Adjustment owed for such Adjustment Year, then Landlord shall credit such excess to Rent payable after the date of Landlord's Expense Statement, or, at its option, may credit such excess to any Rent theretofore due and owing, until such excess has been exhausted. If this Lease expires or is terminated prior to full application of such excess, Landlord shall pay to Tenant the balance thereof not theretofore applied against Rent and not reasonably required for payment of Rent for the Adjustment Year in which this Lease expires, subject to Tenant's obligations under Section 4.8 hereof, provided Tenant has vacated the Premises and otherwise has surrendered the Premises to Landlord in accordance with this Lease and Tenant is not then in default under this Lease.

4.5.2 Landlord's Tax Statement. Following the end of each Adjustment Year and after Landlord has determined the actual amount of Taxes and Leasehold Taxes to be used in calculating the Tax Adjustment for such Adjustment Year, Landlord shall notify Tenant in writing (any such notice hereinafter referred to as "*Landlord's Tax Statement*") of such Taxes and Leasehold Taxes for such Adjustment Year. If the Tax Adjustment owed for such Adjustment Year exceeds the Tax Adjustment component of the Rent Adjustment Deposits paid by Tenant during such Adjustment Year, then Tenant, within thirty (30) days after the date of Landlord's Tax Statement, shall pay to Landlord an amount equal to the excess of the Tax Adjustment over the Tax Adjustment component of the Rent Adjustment Deposits paid by Tenant during such Adjustment Year. If the Tax Adjustment component of the Rent Adjustment Deposits paid by Tenant during such

Adjustment Year exceeds the Tax Adjustment owed for such Adjustment Year, then Landlord shall credit such excess to Rent payable after the date of Landlord's Tax Statement, or, at its option, may credit such excess to any Rent theretofore due and owing, until such excess has been exhausted. If this Lease expires or is terminated prior to full application of such excess, Landlord shall pay to Tenant within thirty (30) days the balance thereof not theretofore applied against Rent and not reasonably required for payment of Rent for the Adjustment Year in which this Lease expires, subject to Tenant's obligations under Section 4.8 hereof, provided Tenant has vacated the Premises and otherwise has surrendered the Premises to Landlord in accordance with this Lease and Tenant is not then in default under this Lease.

- 4.6 No Interest.** No interest or penalties shall accrue on any amounts which Landlord is obligated to credit or pay to Tenant pursuant to this Section.
- 4.7 Books and Records.** Landlord shall maintain books and records showing Taxes and Expenses in accordance with sound accounting and management practices. Tenant or its representative shall have the right to examine Landlord's books and records showing Taxes and Expenses upon reasonable prior notice and during normal business hours at any time within thirty (30) days following the furnishing by Landlord to Tenant of Landlord's Expense Statement or Landlord's Tax Statement, as the case may be, provided for in Section 4.5. Unless Tenant takes written exception to any item within thirty (30) days after the furnishing of Landlord's Expense Statement or Landlord's Tax Statement, as the case may be, containing such item, such Landlord's Statement shall be considered final and accepted by Tenant.
- 4.8 Audit Procedures.** If Tenant notifies Landlord within such thirty (30) day period that Tenant disputes any specific item or items in any Landlord's Expense Statement or Landlord's Tax Statement, as the case may be, and such dispute is not resolved between Landlord and Tenant within thirty (30) days after the date such notice is given by Tenant, either party, during the fifteen (15) day period following the expiration of the thirty (30) day period commencing on the date such notice is given, may refer such disputed item or items for determination to an independent certified public accountant selected by such party and approved by the other party, which approval shall not be withheld unreasonably, and the determination of such accountant shall be final, conclusive and binding upon Landlord and Tenant. Tenant agrees to pay all costs involved in such determination except in the case of Tax Adjustment and Expense Adjustment for any Adjustment Year where it is determined that Landlord has overcharged Tenant for Tax Adjustment and Expense Adjustment for such Adjustment Year by more than five percent (5%), in which case Landlord shall pay such costs.
- 4.9 Proration and Survival.** With respect to any Adjustment Year which does not fall entirely within the Term, Tenant shall be obligated to pay as Expense Adjustment and Tax Adjustment for such Adjustment Year only a pro rata share of Expense Adjustment and Tax Adjustment as hereinabove determined, based upon the number of days of the Term falling within the Adjustment Year. Following expiration or termination of this Lease, Tenant shall pay any Rent Adjustments due to Landlord within thirty (30) days after the date of each Landlord's Statement sent to Tenant. Without limitation of other obligations of Tenant which shall survive the expiration of the Term, the obligation of Tenant to pay Rent Adjustments provided for in this Article accruing during the Term shall survive the

expiration or termination of this Lease.

4.10 No Decrease In Base Rent. In no event shall any Rent Adjustments result in a decrease of Base Rent payable hereunder.

4.11 Additional Rent. All amounts payable by Tenant as or on account of Rent Adjustments shall be deemed to be additional rent becoming due under this Lease.

ARTICLE 5

USE OF PREMISES; TENANT'S COVENANTS AS TO USE AND OCCUPANCY

5 Tenant may use and occupy the Premises for general government office purposes and for no other use or purpose.

ARTICLE 6

SERVICES

6 Services to the Premises. Services to the Premises are as follows:

6.1 Services Provided by Landlord. As long as Tenant is not in default under any of the covenants of this Lease, Landlord shall furnish the following services

6.1.1 HVAC. Air conditioning and heating when necessary to provide a temperature condition required, in Landlord's judgment, for comfortable occupancy of the Premises under normal business operations, daily from 8:00 a.m. to 6:00 p.m. (Saturdays from 8:00 a.m. to 1:00 p.m.), Sundays and holidays excepted. Whenever Tenant's use or occupation of the Premises exceeds the design loads for the system providing heating and air conditioning, or lighting or heat-generating machines or equipment which cumulatively exceed such design loads are used by Tenant in the Premises, which affect the temperature otherwise maintained by the heating, ventilating and air conditioning system in the Premises or Building, Landlord may temper such excess loads by installing supplementary heat or air conditioning units in the Premises or elsewhere where necessary, and the cost of such units and the expense of installation, including, without limitation, the cost of preparing working drawings and specifications, shall be paid by Tenant as additional rent within thirty (30) days after Landlord's demand therefor. The expense resulting from the operation and maintenance of any such supplement any heat or air conditioning units shall be paid by Tenant to Landlord as additional rent at rates fixed by Landlord. Landlord's agreements hereunder are subject to voluntary and mandatory presidential and governmental restrictions on energy use.

6.1.2 Domestic water in common with other tenants for drinking, lavatory and toilet purposes drawn through fixtures installed by Landlord, or by Tenant in the Premises with Landlord's written consent, and hot water in common with other tenants for lavatory purposes from regular Building supply. Tenant shall pay Landlord as additional rent at Landlord's scheduled rates for domestic water and hot water furnished for any other purpose. Tenant shall not waste or permit the waste of water.

6.1.3 Janitorial and cleaning service nightly in and about the Premises, Saturdays, Sundays and holidays excepted. Tenant shall not provide or use any other janitorial or cleaning services without Landlord's consent, and then only subject to supervision of Landlord and at Tenant's sole responsibility and by a janitor, cleaning contractor or

employees at all times satisfactory to Landlord.

6.1.4 Passenger elevator service in common with Landlord and other persons, daily from 8:00 a.m. to 6:00 p.m. (Saturdays from 8:00 a.m. to 1:00 p.m.), Sundays and holidays excepted, and freight elevator service in common with Landlord and other persons, daily from 8:00 a.m. to 5:00 p.m., Saturdays, Sundays and holidays excepted. Such normal elevator service, passenger or freight, if furnished at other times, shall be optional with Landlord and shall never be deemed a continuing obligation. Landlord, however, shall provide limited passenger elevator service daily at all times when such normal passenger service is not furnished.

6.2 Electricity to Be Obtained by Tenant. Electricity shall not be furnished by Landlord, but shall be furnished by an electric utility company serving the area in which the Building is located. Landlord shall permit Tenant to receive such service directly from such utility company at Tenant's cost, and shall permit Landlord's wire and conduits, to the extent available, suitable, safe and capable, to be used for such purposes. Tenant shall pay for electricity for lighting, computers, copy machines and similar office equipment, as billed by utility company. Such payments shall be determined by an allocation of electricity actually used in the Premises and other premises, based upon number of outlets and fixtures and wattage used. The electricity used during the performance of janitorial service, the making of alterations or repairs in the Premises, and for the operation of the Building's air conditioning system at times other than as provided in subparagraph 6.1.1 hereof, or the operation of any special air conditioning systems which may be required for data processing equipment or for other special equipment or machinery installed by Tenant, shall be paid by Tenant. Tenant shall make no alterations or additions to the electric equipment or appliances without the prior written consent of Landlord in each instance. Tenant also agrees to purchase from Landlord or its agents all lamps, bulbs, ballasts and starters used in the Premises during the Term. Tenant covenants and agrees that at all times its use of electric current shall never exceed the capacity of the feeders to the Building or the risers or wiring installed thereon.

6.3 Additional Services. Landlord may provide such extra or additional services as it is reasonably possible for Landlord to provide, and as Tenant may request in writing from time to time, within a reasonable period after the time such extra or additional services are requested. Tenant shall pay, for such extra or additional services, an amount equal to one hundred twenty percent (120%) of Landlord's actual cost reasonably incurred in providing such additional services, such amount to be considered additional rent hereunder. All charges for such extra or additional services shall be due and payable at the same time as the installment of Base Rent with which they are billed, or if billed separately, shall be due and payable within thirty (30) days after such billing. Any such billings for extra or additional services shall include an itemization of the extra or additional services rendered, and the charge for each such service.

6.4 Failure to Pay for Services. Failure by Tenant to pay Landlord's proper charges for water or other services promptly shall give Landlord, upon not less than ten (10) days' notice, the right to discontinue furnishing the services, and no such discontinuance shall be deemed an eviction or disturbance of Tenant's use of the Premises or render Landlord liable for damages or relieve Tenant from performance of Tenant's obligations under this Lease.

- 6.5 Failure to Furnish Services.** Tenant agrees that Landlord and its agents shall not be liable in damages, by abatement of Rent or otherwise, for failure to furnish or for delay in furnishing any service when such failure or delay is occasioned, in whole or in part, by repairs, renewals or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water or other fuel at the Building after reasonable effort to do so, by any accident or casualty whatsoever, by the act or default of Tenant or other parties, or by any cause beyond the reasonable control of Landlord; and such failures or delays shall never be deemed an eviction or disturbance of Tenant's use or possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease.
- 6.6 Regulations Regarding Utilities Services.** Tenant agrees to cooperate fully, at all times, with Landlord in abiding by all reasonable regulations and requirements which Landlord may prescribe for the proper functioning and protection of all utilities and services reasonably necessary for the operation of the Premises and the Building. Throughout the Term of this Lease, Landlord shall have free access to any and all mechanical installations, and Tenant agrees that there shall be no construction of partitions or other obstructions which might interfere with access to or the moving of servicing equipment to or from the enclosures containing said installations. Tenant further agrees that neither Tenant nor its employees, agents, licensees, invitees or contractors shall at any time tamper with, adjust or otherwise in any manner affect Landlord's mechanical installations.

ARTICLE 7 CONDITION AND CARE OF PREMISES

7 Tenant's taking possession of the Premises or any portion thereof shall be conclusive evidence against Tenant that the portion of the Premises taken possession of was then in good order and satisfactory condition. Other than as detailed in Exhibit A, no other promises of Landlord to alter, remodel, improve, repair, decorate or clean the Premises or any part thereof have been made, and no representation respecting the condition of the Premises, the Building or the Land, has been made to Tenant by or on behalf of Landlord except for the "Landlord's Work," as described on Exhibit A. Except for any damage resulting from any wanton or negligent act of Landlord or its employees and agents, and subject to the provisions of Article 15 hereof, Tenant, at its own expense, shall keep the Premises in good repair and tenantable condition and shall promptly and adequately repair all damage to the Premises caused by Tenant or any of its employees, contractors, agents, invitees or licensees, including replacing or repairing all damaged or broken glass, fixtures and appurtenances resulting from any such damage, under the supervision and with the approval of Landlord and within any reasonable period of time specified by Landlord. If Tenant does not do so promptly and adequately, Landlord may, but need not, make such repairs and replacements and Tenant shall pay Landlord the cost thereof on demand.

ARTICLE 8 RETURN OF PREMISES

8 **Surrender of Possession.** At the termination of this Lease by lapse of time or otherwise or upon termination of Tenant's right of possession without termination of this Lease, Tenant shall surrender possession of the Premises to Landlord and deliver all keys to the Premises to Landlord and make known to Landlord the combination of all locks of vaults then remaining in

the Premises, and, subject to the following paragraph, shall return the Premises and all equipment and fixtures of Landlord therein to Landlord in as good condition as when Tenant originally took possession, ordinary wear, loss or damage by fire or other insured casualty, and damage resulting from the act of Landlord or its employees and agents excepted, failing which Landlord may restore the Premises and such equipment and fixtures to such condition and Tenant shall pay the cost thereof to Landlord on demand.

8.1 Installations and Additions. All installations, additions, partitions, hardware, light fixtures, non-trade fixtures and improvements, whether temporary or permanent, except movable furniture and equipment belonging to Tenant, in or upon the Premises, whether placed there by Tenant or Landlord, shall be Landlord's property and, upon termination of this Lease by lapse of time or otherwise, or of Tenant's right of possession without termination of this Lease, shall remain upon the Premises, all without compensation, allowance or credit to Tenant; provided, however, that if prior to such termination or within ten (10) days thereafter Landlord so directs by notice, Tenant, at Tenant's sole cost and expense, shall promptly remove such of the installations, additions, partitions, hardware, light fixtures, non-trade fixtures and improvements placed in the Premises by Tenant as are designated in such notice and repair any damage to the Premises caused by such removal, failing which Landlord may remove the same and repair the Premises and Tenant shall pay the cost thereof to Landlord on demand. At the sole option of Landlord, Tenant shall leave in place any floor covering without compensation to Tenant, or Tenant shall remove any floor covering and shall remove all fastenings, paper, glue, bases or other vestiges and restore the floor surface to its previous condition, or shall pay to Landlord upon demand the cost for restoring the floor surface to such condition within thirty (30) days.

8.2 Trade Fixtures and Personal Property. Tenant shall also remove Tenant's furniture, machinery, safes, trade fixtures and other items of movable personal property of every kind and description from the Premises and repair any damage to the Premises caused thereby, such removal and restoration to be performed prior to the end of the Term or within ten (10) days following termination of this Lease or Tenant's right of possession, whichever is earlier. If Tenant fails to remove such items, Landlord may do so, and thereupon the provisions of Section 17.6 shall apply and Tenant shall pay to Landlord upon demand the cost of removal and of restoration of the Premises.

8.3 Survival. All obligations of Tenant under this Article shall survive the expiration of the Term or earlier termination of this Lease.

ARTICLE 9 HOLDING OVER

9 Tenant shall pay Landlord for each day Tenant retains possession of the Premises or any part thereof after termination of this Lease, by lapse of time or otherwise, or of Tenant's right to possession of the Premises, the amount of Base Rent and Rent Adjustments for a day based upon the annual rate of Base Rent set forth in Section 3.1 and on Rent Adjustments provided for in Article 4 for the period in which such possession occurs, calculated as though such period were within the Term, and Tenant shall also pay all damages sustained by Landlord by reason of such retention. Any holding over by Tenant shall be construed to be a tenancy from month to month. Acceptance by Landlord of rent after such termination shall not of itself constitute a renewal. Nothing contained in this Section shall be construed or shall operate as a waiver of Landlord's

right of reentry or any other right or remedy of Landlord. During such holding over all other provisions of this Lease shall remain in full force and effect.

ARTICLE 10 RULES AND REGULATIONS

10 Tenant agrees to observe and not to interfere with the rights reserved to Landlord in Article 11 and agrees, for itself, its employees, agents, contractors, invitees and licensees, to comply with the rules and regulations set forth in Exhibit B attached to this Lease and made a part hereof and such other rules and regulations as may be adopted by Landlord pursuant to Section 11.1 of this Lease. Any violation by Tenant of any of the rules and regulations contained in Exhibit B or in any Section of this Lease, or as may hereafter be adopted by Landlord pursuant to Section 11.1 of this Lease, may be restrained; but whether or not so restrained, Tenant acknowledges and agrees that it shall be and shall remain liable for all damages, loss, costs and expenses resulting from any violation by Tenant of any of said rules and regulations. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce said rules and regulations or the terms, covenants and conditions of any other lease against any other tenant or any other persons, and Landlord and its Manager shall not be liable to Tenant for violation of the same by any other tenant, its employees, agents or invitees, or by any other person.

ARTICLE 11 RIGHTS RESERVED TO LANDLORD

11 Rights Reserved to Landlord. Landlord reserves the following rights, exercisable without notice and without liability to Tenant for damage or injury to property, person or business and without effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for setoff or abatement of Rent or affecting any of Tenant's obligations under this Lease:

- 11.1** From time to time to make and to adopt such reasonable rules and regulations, in addition to or other than or by way of amendment or modification of the rules and regulations contained in Exhibit B or other Sections of this Lease, for the protection and welfare of the Building and its tenants and occupants, as Landlord may determine, and Tenant agrees to abide by and comply with all such rules and regulations.
- 11.2** To change the name or street address of the Building;
- 11.3** To install and maintain signs on the exterior and interior of the Building;
- 11.4** To prescribe the location and style of the suite number and identification sign or lettering for the Premises;
- 11.5** To retain at all times, and to use in appropriate instances, pass keys to the Premises;
- 11.6** To grant to anyone the exclusive right to conduct any business or render any service in the Building, or the nonexclusive right to use any premises in the Building for a use which is the same as or similar to the use expressly permitted to Tenant by Article 5;
- 11.7** To exhibit the Premises at reasonable hours and to decorate, remodel, repair, alter or otherwise prepare the Premises for re-occupancy at any time after Tenant vacates or abandons the Premises;

- 11.8 To enter the Premises at reasonable hours for reasonable purposes, including inspection and supplying janitorial service or other service to be provided to Tenant hereunder;
- 11.9 To require all persons entering or leaving the Building during such hours as Landlord may reasonably determine from time to time to identify themselves to security personnel by registration or otherwise in accordance with security controls, and to establish their right to enter or to leave in accordance with the provisions of Exhibit B. Landlord shall not be liable in damages for any error with respect to admission to or eviction or exclusion from the Building of any person. In case of fire, invasion, insurrection, mob, riot, civil disorder, public excitement or other commotion, or threat thereof, Landlord reserves the right to limit or to prevent access to the Building during the continuance of the same, to shut down elevator service, to activate elevator emergency controls, or otherwise to take such action or preventive measures deemed necessary by Landlord for the safety or security of the tenants or other occupants of the Building or for the protection of the Building and the property in the Building. Tenant agrees to cooperate with any reasonable safety or security program developed by Landlord;
- 11.10 To regulate access to telephone, electrical and other utility closets in the Building and to require use of designated contractors for any work involving access to the same;
- 11.11 Provided that reasonable access to the Premises shall be maintained and the business of Tenant shall not be interfered with unreasonably, to rearrange, relocate, enlarge, reduce or change corridors, exits, entrances in or to the Building and to decorate and, at its own expense, to make repairs, alterations, additions and improvements, structural or otherwise, in or to the Building or any part thereof, and any adjacent building, land, street or alley, including for the purpose of connection with or entrance into or use of the Building in conjunction with any adjoining or adjacent building or buildings, now existing or hereafter constructed, and may for such purposes erect scaffolding and other structures reasonably required by the character of the work to be performed, and during such operations may enter upon the Premises and take into and upon or through any part of the Building, including the Premises, all materials that may be required to make such repairs, alterations, improvements or additions, and in that connection, Landlord may temporarily close public entry ways, other public spaces, stairways or corridors and interrupt or temporarily suspend any services or facilities agreed to be furnished by Landlord, all without the same constituting an eviction of Tenant in whole or in part and without abatement of Rent by reason of loss or interruption of the business of Tenant or otherwise and without in any manner rendering Landlord liable for damages or relieving Tenant from performance of Tenant's obligations under this Lease. Landlord, at its option, may make any repairs, alterations, improvements and additions in and about the Building and the Premises during ordinary business hours and, if Tenant desires to have such work done at times other than business hours, Tenant shall pay all resulting overtime and additional expenses; and
- 11.12 Landlord specifically excepts and reserves to itself the use of any roof decks, the exterior portions of the Premises, all rights to the land and improvements below the improved floor level of the Premises, to the improvements and air rights above the Premises and to the improvements and air rights located outside the demising walls of the Premises and to such areas within the Premises required for installation of utility lines and other installations required to serve other occupants of the Building and to maintain and repair same, and no rights with respect thereto are conferred upon Tenant, unless otherwise specifically provided

herein. This Lease does not grant any rights to light or air.

ARTICLE 12 ALTERATIONS

12 Tenant shall not make any alterations, additions or improvements to the Premises, without the prior written consent of Landlord. Landlord's decision to refuse such consent shall be conclusive. If Landlord consents to such alterations, additions or improvements, including, but not limited to the installation of a security alarm, before commencement of the work or delivery of any materials onto the Premises or into the Building, Tenant shall furnish to Landlord for approval plans and specifications, names and addresses of contractors, copies of contracts, necessary permits and licenses, and instruments of indemnification against any and all claims, costs, expenses, damages and liabilities which may arise in connection with such work, all in such form, substance and amount as may be satisfactory to Landlord. In addition, prior to commencement of any such work or delivery of any materials into the Premises, Tenant shall provide Landlord with appropriate evidence of Tenant's ability to pay for such work and materials in full, and if requested by Landlord, shall deposit with Landlord at such time such security for the payment of said work and materials as Landlord may reasonably require. All alterations, additions and improvements shall be installed in a good, workmanlike manner and only new, high-grade materials shall be used. All such work shall be done only by contractors or mechanics approved by Landlord and shall be subject to Landlord's scheduling requirements and regulations. Tenant further agrees to require its contractors to hold Landlord harmless from any and all liabilities of every kind and description which may arise out of or be connected in any way with said alterations, additions or improvements. Before commencing any work in connection with such alterations, additions or improvements, Tenant shall furnish Landlord with certificates of insurance from all contractors performing labor or furnishing materials insuring Landlord against any and all liabilities which may arise out of or be connected in any way with said alterations, additions or improvements. Tenant shall permit Landlord to supervise construction operations in connection with the foregoing work if Landlord requests to do so. Tenant shall pay the cost of all such alterations, additions and improvements, as well as the cost of decorating and repairing any damage to the Building, including the Premises, occasioned by such alterations, additions and improvements, including the cost of labor and materials, contractors' profits, overhead and general conditions, and a reasonable fee to Landlord. Upon completing any alterations, additions or improvements, Tenant shall furnish Landlord with contractors' affidavits in form required by law, and full and final waivers of lien and receipted bills covering all labor and materials expended and used. All alterations, additions and improvements shall comply with all insurance requirements and with all city and county ordinances and regulations and with the requirements of all state and federal statutes and regulations.

ARTICLE 13 ASSIGNMENT AND SUBLETTING

13 Assignment and Subletting. Tenant, without the prior written consent of Landlord in each instance, shall not (a) assign, transfer, mortgage, pledge, hypothecate or encumber or subject to or permit to exist upon or be subjected to any lien or charge, this Lease or any interest under it, (b) allow to exist or occur any transfer of or lien upon this Lease or Tenant's interest herein by operation of law, (c) sublet the Premises or any part thereof, (d) permit the use or occupancy of

the Premises or any part thereof for any purpose not provided for under Article 5 of this Lease or by anyone other than Tenant and Tenant's agents and employees, to the extent permitted under Article 5. Landlord has the absolute right to withhold its consent without giving any reason whatsoever. In no event shall this Lease be assigned or assignable by voluntary or involuntary bankruptcy proceedings or otherwise, and in no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under any bankruptcy, insolvency or reorganization proceedings.

ARTICLE 14

WAIVER OF CERTAIN CLAIMS; INDEMNITY BY TENANT

14 Waiver of Certain Claims. To the extent not prohibited expressly by law, Tenant releases Landlord and its commissioners, officials, agents, servants and employees, from and waives all claims for damages to person or property sustained by Tenant or by any occupant of the Premises or the Building, or by any other person, resulting directly or indirectly from fire or other casualty, cause or any existing or future condition, defect, matter or thing in or about the Premises, the Building or any part of it, or from any equipment or appurtenance therein, or from any accident in or about the Building, or from any act or neglect of any tenant or other occupant of the Building or any part thereof or of any other person, including Landlord, Landlord's commissioners, officials, agents, servants and employees. This Section shall apply especially, but not exclusively, to damage caused by water, snow, frost, steam, excessive heat or cold, sewerage, gas, odors or noise, or the bursting or leaking of pipes or plumbing fixtures, broken glass, sprinkling or air conditioning devices or equipment, or flooding of basements, and shall apply without distinction as to the person whose act or neglect was responsible for the damage and whether the damage was due to any of the acts specifically enumerated above, or from any other thing or circumstance, whether of a like nature or of a wholly different nature.

Comment: We will not delete the waiver of claims. Tenants are expected to insure their property and carry liability insurance.

14.1 Damage Caused by Tenant's Neglect. If any damage to the Premises or the Building or any equipment or appurtenance therein, whether belonging to Landlord or to other tenants or occupants of the Building, results from any act or neglect of Tenant, its employees, agents, contractors, licensees or invitees, Tenant shall be liable therefor and Landlord, at its option, may repair such damage and Tenant, upon demand by Landlord, shall reimburse Landlord for all costs of such repairs and damages in excess of amounts, if any, paid to Landlord under insurance covering such damage.

14.2 Tenant Responsible for Personal Property. All personal property belonging to Tenant or any occupant of the Premises that is in the Building or the Premises shall be there at the risk of Tenant or other person only and Landlord shall not be liable for damage thereto or theft or misappropriation thereof.

ARTICLE 15

DAMAGE OR DESTRUCTION BY CASUALTY

15 Damage or Destruction by Casualty.

15.1 Landlord's Obligations as to Damage or Destruction. If the Premises or the Building are damaged by fire or other casualty and if such damage does not render all or a substantial portion of the Premises or the Building untenable, then Landlord shall proceed to repair and restore the same with reasonable promptness, subject to reasonable delays for insurance adjustments and delays caused by matters beyond Landlord's reasonable control. If any such

damage renders all or a substantial portion of the Premises or the Building untenable, Landlord, with reasonable promptness after the occurrence of such damage, shall estimate the length of time that will be required to substantially complete the repair and restoration of such damage and shall advise Tenant by notice of such estimate.

15.2 Option to Terminate. If it is estimated that the amount of time required to substantially complete such repair and restoration will exceed one-hundred eighty (180) days from the date such damage occurred, then either Landlord or Tenant (but as to Tenant, only if all or a substantial portion of the Premises are rendered untenable) shall have the right to terminate this Lease as of the date of such damage upon giving notice to the other at any time within twenty (20) days after Landlord gives Tenant the notice containing said estimate (it being understood that, if it elects to do so, Landlord may also give such notice of termination together with the notice containing said estimate).

15.3 Restoration. Unless this Lease is so terminated, Landlord shall proceed with reasonable promptness to repair and restore the Premises, subject to reasonable delays for insurance adjustments and delays caused by matters beyond Landlord's reasonable control, and also subject to zoning laws and building codes then in effect. Landlord shall have no liability to Tenant, and Tenant shall not be entitled to terminate this Lease, except as hereinafter provided, if such repairs and restoration in fact are not completed within the time period estimated by Landlord or within one-hundred eighty (180) days. If the Premises are not repaired or restored within eighteen (18) months after the date of such fire or other casualty, then either party may terminate this Lease, effective as of the date of such fire or other casualty, by written notice given to the other party not later than thirty (30) days after the expiration of said one-hundred eighty (180) period, but prior to substantial completion of repair or restoration. Notwithstanding anything to the contrary set forth herein, (a) Landlord shall have no duty pursuant to this Section to repair or restore any portion of the alterations, additions or improvements owned or made by Tenant in the Premises or to expend for any repair or restoration amounts in excess of insurance proceeds paid to Landlord and available for repair or restoration; (b) Tenant shall not have the right to terminate this Lease pursuant to this Section if the damage or destruction was caused by the act or neglect of Tenant, its agents or employees; and (c) if any such damage rendering all or a substantial portion of the Premises or the Building untenable shall occur during the last two (2) years of the Term, Landlord shall have the option to terminate this Lease by giving written notice to Tenant within sixty (60) days after the date such damage occurred, and if such option is so exercised, this Lease shall terminate as of the date of such notice.

15.4 Abatement of Rent. In the event any fire or casualty damage not caused by the act or neglect of Tenant, its agents or employees, renders the Premises untenable and if this Lease is not terminated pursuant to Section 15.1 by reason of such damage, then Rent shall abate during the period beginning with the date of such damage and ending with the date Landlord tenders the Premises to Tenant as being ready for occupancy. Such abatement shall be in an amount bearing the same ratio to the total amount of Rent for such period as the portion of the Premises not ready for occupancy from time to time bears to the entire Premises. In the event of termination of this Lease pursuant to Section 15.1, Rent shall be apportioned on a per diem basis and shall be paid to the date of the fire or casualty.

ARTICLE 16

EMINENT DOMAIN

16 If the entire Building or a substantial part thereof, or any part thereof which includes all or a substantial part of the Premises, shall be taken or condemned by any competent authority for any public or quasi-public use or purpose, the Term of this Lease shall end upon and not before the earlier of the date when the possession of the part so taken shall be required for such use or purpose or the effective date of the taking, and without apportionment of the award to or for the benefit of Tenant. If any condemnation proceeding shall be instituted in which it is sought to take or damage any part of the Building, the taking of which, in Landlord's opinion, would prevent the economical operation of the Building, or if the grade of any street or alley adjacent to the Building is changed by any competent authority, and such taking, damage or change of grade makes it necessary or desirable to remodel the Building to conform to the taking, damage or changed grade, Landlord shall have the right to terminate this Lease upon written notice given to Tenant not less than ninety (90) days prior to the date of termination designated in said notice. In either of these events, Rent at the then current rate shall be apportioned as of the date of the termination. No money or other consideration shall be payable by Landlord to Tenant for the right of termination, and Tenant shall have no right to share in the condemnation award, whether for a total or partial taking, for loss of Tenant's leasehold or improvements or other loss or expenses or to share in any judgment for damages caused by the change of grade.

ARTICLE 17 DEFAULT

17 Events of Default; Remedies.

17.1 Default by Tenant. The occurrence of any one or more of the following matters constitutes a Default by Tenant under this Lease:

- 17.1.1 Failure by Tenant to pay any Rent within five (5) days after notice of failure to pay the same on the due date; notwithstanding the foregoing, Landlord acknowledges that Tenant's payments for the months of January and February shall be provided on or before the last day in February and this provision shall not apply during those months;
- 17.1.2 Failure by Tenant to pay, within five (5) days after notice of failure to pay on the due date from Landlord to Tenant, any other moneys required to be paid by Tenant under this Lease;
- 17.1.3 Failure by Tenant to observe or perform any of the covenants with respect to assignment and subletting set forth in Article 13;
- 17.1.4 Failure by Tenant to comply with Tenant's warranties, representations or covenants set forth in Articles 5 or 26;
- 17.1.5 Failure by Tenant to cure, immediately after receipt of notice from Landlord, any hazardous condition which Tenant has created in violation of law or of this Lease;
- 17.1.6 Failure by Tenant to observe or perform any other covenant, agreement, condition or provision of this Lease, if such failure continues for thirty (30) days after notice thereof from Landlord to Tenant;
- 17.1.7 The levy upon, under writ of execution or the attachment by legal process of, the leasehold interest of Tenant, or the filing or creation of a lien with respect to such

leasehold interest, which lien shall not be released or discharged within sixty (60) days from the date of such filing;

17.1.8 Tenant vacates or abandons the Premises or fails to take possession of the Premises within thirty (30) days when made available for occupancy (the transfer of a substantial part of the operations, business and personnel of Tenant to some other location being deemed, without limiting the meaning of the term "vacates or abandons," to be a vacation or abandonment within the meaning of this clause (h)), whether or not Tenant thereafter continues to pay Rent due under this Lease.

17.2 Rights and Remedies of Landlord. If a Default occurs, Landlord shall have the rights and remedies hereinafter set forth, which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Landlord of any other right or remedy allowed it by law:

17.2.1 Landlord may terminate this Lease by giving to Tenant notice of Landlord's election to do so, in which event the Term of this Lease shall end, and all right, title, accrued obligations, and interest of Tenant hereunder shall expire, on the date stated in such notice;

17.2.2 Landlord may terminate the right of Tenant to possession of the Premises without terminating this Lease by giving notice to Tenant that Tenant's right to possession shall end on the date stated in such notice, whereupon the right of Tenant to possession of the Premises or any part thereof shall cease on the date stated in such notice; and

17.2.3 Landlord may enforce the provisions of this Lease and may enforce and protect the rights of Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Tenant under any of the provisions of this Lease.

17.3 Right to Re-Enter. If Landlord exercises either of the remedies provided in Sections 17.2.1 or 17.2.2, Tenant shall surrender possession and vacate the Premises and immediately deliver possession thereof to Landlord, and Landlord may re-enter and take complete and peaceful possession of the Premises, with or without process of law, full and complete license to do so being hereby granted to Landlord, and Landlord may remove all occupants and property therefrom, using such force as may be necessary, without being deemed guilty in any manner of trespass, eviction or forcible entry and detainer and without relinquishing Landlord's right to Rent or any other right given to Landlord hereunder or by operation of law.

17.4 Current Damages. If Landlord terminates the right of Tenant to possession of the Premises without terminating this Lease, Landlord shall have the right to immediate recovery of all amounts then due hereunder. If Landlord's termination is based solely on an uncured default by Tenant, then such termination of possession shall not release Tenant, in whole or in part, from Tenant's obligation to pay Rent hereunder for the full Term, and Landlord shall have the right, from time to time, to recover from Tenant, and Tenant shall remain liable for, all Base Rent, Rent Adjustments and any other sums accruing as they become due under this Lease during the period from the date of such notice of termination of possession to the stated end of the Term. In any such case, Landlord may relet the Premises or any part thereof for the account of Tenant for such rent, for such time (which

may be for a term extending beyond the Term of this Lease) and upon such terms as Landlord shall determine and may collect the rents from such reletting. Landlord shall not be required to accept any tenant offered by Tenant or to observe any instructions given by Tenant relative to such reletting. Also, in any such case, Landlord may make repairs, alterations and additions in or to the Premises and redecorate the same to the extent deemed by Landlord necessary or desirable and in connection therewith change the locks to the Premises, and Tenant upon demand shall pay the cost of all of the foregoing together with Landlord's expenses of reletting. The rents from any such reletting shall be applied first to the payment of the expenses of reentry, redecoration, repair and alterations and the expenses of reletting and second to the payment of Rent and/or Rent Adjustments herein provided to be paid by Tenant. Any excess or residue shall operate only as an offsetting credit against the amount of Rent and/or Rent Adjustments due and owing as the same thereafter becomes due and payable hereunder, and the use of such offsetting credit to reduce the amount of Rent and/or Rent Adjustments due Landlord, if any, shall not be deemed to give Tenant any right, title or interest in or to such excess or residue and any such excess or residue shall belong to Landlord solely, and in no event shall Tenant be entitled to a credit on its indebtedness to Landlord in excess of the aggregate sum (including Base Rent and Rent Adjustments) which would have been paid by Tenant for the period for which the credit to Tenant is being determined, had no Default occurred. No such reentry or repossession, repairs, alterations and additions, or reletting shall be construed as an eviction or ouster of Tenant or as an election on Landlord's part to terminate this Lease, unless a written notice of such intention is given to Tenant, or shall operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, and Landlord, at any time and from time to time, may sue and recover judgment for any deficiencies remaining after the application of the proceeds of any such reletting.

- 17.5 Final Damages.** If this Lease is terminated by Landlord pursuant to Section 17.2.1, Landlord shall be entitled to recover from Tenant all Rent and/or Rent Adjustments accrued and unpaid for the period up to and including such termination date, as well as all other additional sums payable by Tenant, or for which Tenant is liable or for which Tenant has agreed to indemnify Landlord under any of the provisions of this Lease, which may be then owing and unpaid, and all costs and expenses, including court costs and attorneys' fees incurred by Landlord in the enforcement of its rights and remedies hereunder, and, in addition, Landlord shall be entitled to recover as damages for loss of the bargain and not as a penalty (a) the unamortized portion of any concessions offered by Landlord to Tenant in connection with this Lease, including without limitation Landlord's contribution to the cost of tenant improvements and alterations, if any, installed by either Landlord or Tenant pursuant to this Lease, (b) the aggregate sum which at the time of such termination represents the excess, if any, of the present value of the aggregate rents which would have been payable after the termination date had this Lease not been terminated, including, without limitation, Base Rent at the annual rate or respective annual rates for the remainder of the Term provided for in Article 3 of this Lease or elsewhere herein and the amount projected by Landlord to represent Rent Adjustments for the remainder of the Term pursuant to Article 4 of this Lease, over the then present value of the then aggregate fair rental value of the Premises for the balance of the Term, such present worth to be computed in each case on the basis of a five percent (5%) per annum discount from the respective dates upon which such rentals would have been payable hereunder had this Lease not been terminated, and (c)

any damages in addition thereto, including reasonable attorneys' fees and court costs, which Landlord sustains as a result of the breach of any of the covenants of this Lease other than for the payment of Rent.

17.6 Removal of Personal Property. All property of Tenant removed from the Premises by Landlord pursuant to any provision of this Lease or applicable law may be handled, removed or stored by Landlord at the cost and expense of Tenant, and Landlord shall not be responsible in any event for the value, preservation or safekeeping thereof. Tenant shall pay Landlord for all expenses incurred by Landlord with respect to such removal and storage so long as the same is in Landlord's possession or under Landlord's control. All such property not removed from the Premises or retaken from storage by Tenant within thirty (30) days after the end of the Term, however terminated, at Landlord's option, shall be conclusively deemed to have been conveyed by Tenant to Landlord as by bill of sale without further payment or credit by Landlord to Tenant.

17.7 Landlord's Attorneys' Fees. Tenant shall pay all of Landlord's reasonable costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Tenant's obligations under this Lease, incurred by Landlord in any action brought by Tenant in which Landlord is the prevailing party, or incurred by Landlord in any litigation, negotiation or transaction in which Tenant causes Landlord, without Landlord's fault, to become involved or concerned.

17.8 Tenant's Attorneys' Fees. Landlord shall pay all of Tenant's reasonable costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Landlord obligations under this Lease, incurred by Tenant in any action brought by Tenant in which Tenant is the prevailing party, or incurred by Tenant in any litigation, negotiation or transaction in which Landlord causes Tenant, without Tenant's fault, to become involved or concerned.

17.9 Assumption or Rejection in Bankruptcy. If Tenant is adjudged bankrupt, or a trustee in bankruptcy is appointed for Tenant, Landlord and Tenant, to the extent permitted by law, agree to request that the trustee in bankruptcy determine within sixty (60) days thereafter whether to assume or to reject this Lease.

17.10 Default Under Other Leases. If the term of any lease, other than this Lease, for any space in the Building under which an agency 100% funded by Tenant is now or hereafter the tenant, shall be terminated or terminable after the making of this Lease because of any default by Tenant under such other lease, such fact shall empower Landlord, at Landlord's sole option, to terminate this Lease by notice to Tenant or to exercise any of the rights or remedies set forth in Section 17.2.

ARTICLE 18 SUBORDINATION AND ATTORNMENT

18 Subordination and Attornment.

18.1 Subordination. Landlord from time to time hereafter may execute and deliver a mortgage, trust deed in the nature of a mortgage, or so called "sale lease back" or other financing vehicle (both may hereinafter be referred to as a "Mortgage"), against the Land

and Building or any interest therein. If requested by the mortgagee or trustee under any Mortgage, Tenant will either (a) subordinate its interest in this Lease to said Mortgage, and to any and all advances made thereunder and to the interest thereon, and to all renewals, replacements, supplements, amendments, modifications and extensions thereof, or (b) make certain of Tenant's rights and interests in this Lease superior thereto; and Tenant will execute and deliver promptly such agreement or agreements as may be reasonably required by such mortgagee or trustee under any Mortgage. Tenant covenants that it will not subordinate this Lease to any mortgage or trust deed other than a Mortgage without the prior written consent of the holder of the Mortgage.

18.2 Liability of Holder of Mortgage; Attornment. It is further agreed that (a) if any Mortgage is foreclosed, (i) the holder of the Mortgage, ground lessor, or their respective grantee, or purchaser at any foreclosure sale (or grantee in a deed in lieu of foreclosure), as the case may be, shall not be (x) liable for any act or omission of any prior landlord (including Landlord), (y) subject to any offsets or counterclaims which Tenant may have against a prior landlord (including Landlord), or (z) bound by any prepayment of Base Rent which Tenant may have made in excess of the amounts then due for the next succeeding month, (ii) the liability of the mortgagee or trustee hereunder or purchaser at such foreclosure sale or the liability of a subsequent owner designated as Landlord under this Lease shall exist only so long as such trustee, mortgagee, purchaser or owner is the owner of the Building or Land and such liability shall not continue or survive after further transfer of ownership; and (iii) upon request of the mortgagee or trustee, if the Mortgage is foreclosed, Tenant will attorn, as Tenant under this Lease, to the purchaser at any foreclosure sale under any Mortgage, and Tenant will execute such instruments as may be necessary or appropriate to evidence such attornment; and (b) this Lease may not be modified or amended so as to reduce the rent or shorten the term provided hereunder, or so as to affect adversely in any other respect to any material extent the rights of Landlord, nor shall this Lease be cancelled or surrendered, without the prior written consent, in each instance, of the mortgagee or trustee under any Mortgage.

18.3 Modification Required by First Mortgagee. Should any prospective mortgagee require a modification or modifications of this Lease, which modification or modifications will not cause any increased cost or expense to Tenant or in any other way materially change the rights and obligations of Tenant hereunder, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are required therefor and deliver the same to Landlord within thirty (30) days following the request therefor unless such execution requires additional legislative approval (in such event Tenant shall have an additional thirty [30] days following such legislative approval to execute such documents).

18.4 Short Form Lease. Should any prospective mortgagee require execution of a short form of lease for recording (containing the names of the parties, a description of the Premises, and the term of this Lease) or a certification from Tenant concerning this Lease in such form as may be required by a prospective mortgagee, Tenant agrees to execute promptly such short form of lease or certificate and deliver the same to Landlord within thirty (30) days following the request therefor unless such execution requires additional legislative approval (in such event Tenant shall have an additional thirty [30] days following such legislative approval to execute such documents).

ARTICLE 19
MORTGAGEE PROTECTION

19 Mortgagee Protection. Tenant agrees to give any holder of any Mortgage, as defined in 18.1 against the Land or Building, or any interest therein, by registered or certified mail, a copy of any notice or claim of default served upon Landlord by Tenant, provided that prior to such notice Tenant has been notified in writing (by way of service on Tenant of a copy of an assignment of Landlord's interests in leases, or otherwise) of the address of such Mortgage holder. Tenant further agrees that if Landlord has failed to cure such default within twenty (20) days after such notice to Landlord (or if such default cannot be cured or corrected within that time, then such additional time as may be necessary if Landlord has commenced within such twenty (20) days and is pursuing diligently the remedies or steps necessary to cure or correct such default), then the holder of the Mortgage shall have an additional thirty (30) days within which to cure or correct such default (or if such default cannot be cured or corrected within that time, then such additional time as may be necessary if such holder of the Mortgage has commenced cure or correction within such thirty (30) days and is pursuing diligently the remedies or steps necessary to cure or correct such default, including the time necessary to obtain possession if possession is necessary to cure or correct such default).

ARTICLE 20
ESTOPPEL CERTIFICATE

20 Estoppel Certificate. Tenant agrees that from time to time within ten (10) days of written request received from Landlord, or the holder of any Mortgage or any ground lessor, Tenant (or any permitted assignee, subtenant, licensee, concessionaire or other occupant of the Premises claiming by, through or under Tenant) will deliver to Landlord or to the holder of any Mortgage or ground lessor, a statement in writing signed by Tenant (and/or such other party) certifying (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and identifying the modifications); (b) the date upon which Tenant began paying Rent and the dates to which Rent and other charges have been paid; (c) that Landlord is not in default under any provision of this Lease, or, if in default, the nature thereof in detail; (d) that the Premises have been completed in accordance with the terms hereof and Tenant is in occupancy and paying Rent on a current basis with no rental offsets or claims; (e) that there has been no prepayment of Rent other than that provided for in this Lease; (f) that there are no actions, whether voluntary or involuntary, pending against Tenant under the bankruptcy laws of the United States or any State thereof; and (g) such other matters as may be required by Landlord, the holder of the First Mortgage or ground lessor.

ARTICLE 21
SUBROGATION AND INSURANCE

21 Waiver of Subrogation and Insurance.

21.1 Waiver of Subrogation. Landlord and Tenant agree to have all fire and extended coverage and other property damage insurance which may be carried by either of them endorsed with a clause providing that any release from liability of or waiver of claim for recovery from the

other party entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of such policy or the right of the insured to recover thereunder, and providing further that the insurer waives all rights of subrogation which such insurer might have against the other party. Without limiting any release or waiver of liability or recovery set forth elsewhere in this Lease, and notwithstanding anything in this Lease which may appear to be to the contrary, each of the parties hereto waives all claims for recovery from the other party for any loss or damage to any of its property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance policies. Notwithstanding the foregoing or anything contained in this Lease to the contrary, any release or any waiver of claims shall not be operative, nor shall the foregoing endorsements be required, in any case where the effect of such release or waiver is to invalidate insurance coverage or to invalidate the right of the insured to recover thereunder or to increase the cost thereof (provided that in the case of increased cost, the other party shall have the right, within ten (10) days following written notice thereof, to pay such increased cost and thereby keep such release or waiver in full force and effect).

21.2 Tenant's Insurance. Tenant shall carry insurance during the entire Term hereof with terms, coverages and companies satisfactory to Landlord and with such increases in limits as Landlord may request from time to time, but initially Tenant shall maintain the following coverages in the following amounts:

21.2.1 Comprehensive or commercial general liability insurance, including contractual liability, on an occurrence basis, in an amount not less than Three Million Dollars (\$3,000,000.00) combined single limit per occurrence, covering Tenant as a named insured and Landlord and its commissioners and officials, and the managing agent for the Building and the respective officers, directors, shareholders, partners, agents and employees of each of the foregoing as additional insureds.

21.2.2 Insurance against fire, sprinkler leakage and vandalism, and the extended coverage perils for the full replacement cost of all additions, improvements and alterations to the Premises owned or made by Tenant, if any, and of all office furniture, trade fixtures, office equipment, merchandise and all other items of Tenant's property on the Premises, with loss or damage payable to Landlord and Tenant as their interests may appear.

21.2.3 Business Interruption and extra expense insurance insuring Tenant for a period of not less than one year.

21.2.4 Certificates of Insurance. Tenant shall furnish to Landlord, prior to the commencement of the Term, policies or certificates evidencing such coverage, which policies or certificates shall state that such insurance coverage may not be reduced, cancelled or not renewed without at least thirty (30) days' prior written notice to Landlord and Tenant (unless such cancellation is due to nonpayment of premium, and in that case, only ten (10) days' prior written notice shall be sufficient).

21.3 Compliance with Requirements. Tenant shall comply and cause the Premises to comply with all applicable laws and ordinances, all court orders and decrees and all requirements of other governmental authorities, and shall not make, directly or indirectly, any use of the Premises which may be prohibited thereby, which may be dangerous to person or property, which may jeopardize any insurance coverage or which may increase the cost of insurance

or require additional insurance coverage.

- 21.4 Self-insurance.** Notwithstanding the foregoing insurance requirements, Tenant may elect to self-insure with respect to any claims which would be covered by such insurance by providing to the Cook County Department of Risk Management a reasonably acceptable written statement regarding the claims experience, assumptions and other aspects of such self-insurance plan, and such supporting documentation as such department may reasonably request. Such documentation shall be updated upon request by the Cook County Department of Risk Management. Such election to self-insure does not decrease the limits of liability and types of coverage set forth in this lease. Any self-insurance shall be deemed to contain and be subject to all terms and conditions applicable to such insurance as required above, including without limitation a full waiver of subrogation as set forth in Section 21.1.

ARTICLE 22 REAL ESTATE BROKERS

22 Real Estate Brokers. Tenant represents that Tenant has dealt with and only with 69 West Washington Management Company, L.L.C. (whose commission, if any, shall be paid by Landlord pursuant to separate agreement) as broker in connection with this Lease and agrees to indemnify and hold Landlord harmless from all damages, liabilities, claims, losses, costs and expenses, including reasonable attorneys' fees, arising from any claims or demands of any other broker or brokers or finders for any commission alleged to be due such broker or brokers or finders in connection with its having introduced Tenant to the Premises or having participated in the negotiation with Tenant of this Lease. Tenant shall, upon request from Landlord, furnish Landlord with an instrument executed by said broker waiving and releasing any and all liens or claims of lien that said broker may have in connection with the Premises or this Lease. Landlord represents that Landlord has directly dealt with and only with 69 West Washington Management Company, LLC, as broker in connection with this Lease, and that any commission which may be owed to 69 West Washington Management Company, LLC will be paid by Landlord. Landlord agrees to indemnify and hold Tenant harmless from all damages, liability and expense (including reasonable attorneys' fees) arising from any claims or demands of any broker or brokers or finders for any commission alleged to be due such other broker or brokers or finders in connection with its participating in the negotiation of this Lease on behalf of Landlord.

ARTICLE 23 NOTICES

23 Notices.

- 23.1 General Provisions.** All notices and demands required or desired to be given by either party to the other with respect to this Lease or the Premises shall be in writing and shall be delivered personally, sent by overnight courier service, prepaid, or sent by United States registered or certified mail, return receipt requested, postage prepaid, and addressed as herein provided. Notices and demands shall be deemed given and served (a) upon receipt or refusal, if delivered personally, (b) one (1) business day after deposit with an overnight courier service, or (c) upon deposit in the United States mails, if mailed. Either party may change its address for receipt of notices by giving notice of such change to the other party in accordance herewith. Notices and demands from Landlord to Tenant may be signed by Landlord's President, Director of Real Estate Management, the Building Manager, or the

agent of any of them.

23.2 Notices to Landlord.

Office of the President
Cook County Board of Commissioners
118 N. Clark Street
Chicago, Illinois 60602
Attention: President

And to: The Office of the Building
George W. Dunne Cook County Office Building
69 W. Washington Street, Suite 1430
Chicago, Illinois 60602

And to: Cook County Real Estate Management Division
69 W. Washington Street, Suite 3000
Chicago, Illinois 60602
Attention: Director

23.3 Notices to Tenant. Notices to or demands upon Tenant shall be addressed to Tenant at the Premises, faxed to Tenant at (773) 478-3949, with a copy to: City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, Room 300, Chicago, Illinois, 60602.

**ARTICLE 24
HAZARDOUS SUBSTANCES**

24 Hazardous Substances.

24.1 Defined Terms.

"Claim" shall mean and include any demand, cause of action, proceeding, or suit for any one or more of the following: (i) actual or punitive damages, losses, injuries to person or property, damages to natural resources, fines, penalties, interest, contribution or settlement, (ii) the costs and expenses of site investigations, feasibility studies, information requests, health or risk assessments, or Response (as hereinafter defined) actions, and (iii) the costs and expenses of enforcing insurance, contribution or indemnification agreements.

"Environmental Laws" shall mean and include all federal, state and local statutes, ordinances, regulations and rules in effect and as amended from time to time relating to environmental quality, health, safety, contamination and cleanup, including, without limitation, the Clean Air Act, 42 U.S.C. Section 7401 *et seq.*; the Clean Water Act, 33 U.S.C. Section 1251 *et seq.*, and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. Section 136 *et seq.*; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. Section 1401 *et seq.*, the National Environmental Policy Act, 42 U.S.C. Section 4321 *et seq.*; the Noise Control Act, 42 U.S.C. Section 4901 *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. Section 651 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Section 6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. Section 300f *et seq.*; the Comprehensive

Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9601 *et seq.*, as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right-to-Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Toxic Substances Control Act ("TSCA"), 15 U.S.C. Section 2601 *et seq.*; the Atomic Energy Act, 42 U.S.C. Section 2011 *et seq.*, and the Nuclear Waste Policy Act of 1982, 42 U.S.C. Section 10101 *et seq.*; and the Environmental Protection Act of Illinois ("IEPA"), 415 ILCS 5/1, *et seq.*, and state and local superlien and environmental statutes and ordinances, with implementing regulations, rules and guidelines, as any of the foregoing may be amended from time to time. Environmental Laws shall also include all state, regional, county, municipal, and other local laws, regulations, and ordinances insofar as they are equivalent or similar to the federal laws recited above or purport to regulate Hazardous Materials (as hereinafter defined).

"Hazardous Materials" shall mean and include the following, including mixtures thereof: any hazardous substance, pollutant, contaminant, waste, by-product or constituent regulated under CERCLA; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel; pesticides regulated under the FIFRA, asbestos and asbestos-containing materials, PCBs, and other substances regulated under the TSCA; source material, special nuclear material, by-product material and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. § 1910.1200 *et seq.*; and industrial process and pollution control wastes whether or not hazardous within the meaning of RCRA, and any other hazardous substance, pollutant or contaminant regulated under any other Environmental Law.

"Manage" or "Management" means to generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of or abandon Hazardous Materials.

"Release" or "Released" shall mean any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of Hazardous Materials into the environment, as "environment" is defined in CERCLA.

"Response" or "Respond" shall mean action taken to correct, remove, remediate, clean up, prevent, mitigate, monitor, evaluate, investigate, assess or abate the Release of a Hazardous Material.

- 24.2 Tenant's Obligations with Respect to Environmental Matters.** During the term of this Lease, (i) Tenant shall comply at its sole cost and expense with all Environmental Laws; (ii) Tenant shall not Manage, or authorize the Management of, any Hazardous Materials on the Premises, including installation of any underground storage tanks, without prior written disclosure to and prior written approval by Landlord; (iii) Tenant shall not take any action that would subject the Premises to the permit requirements under RCRA for storage, treatment or disposal of Hazardous Materials; (iv) Tenant shall not dispose of Hazardous Materials in dumpsters provided by Landlord for tenant use; (v) Tenant shall not discharge Hazardous Materials into Project drains or sewers; (vi) Tenant shall not cause or allow the

Release of any Hazardous Materials on, to or from the Project or land and (vii) Tenant shall arrange at its sole cost and expense for the lawful transportation and off-site disposal at permitted landfills or other permitted disposal facilities and otherwise in accordance with all applicable Environmental Laws, of all Hazardous Materials that it generates.

24.3 Copies of Notices. During the term of this Lease, Tenant shall provide Landlord promptly with copies of all summons, citations, directives, information inquiries or requests, notices of potential responsibility, notices of violation or deficiency, orders or decrees, Claims, complaints, investigations, judgments, letters, notices of environmental liens or Response actions in progress, and other communications, written or oral, actual or threatened, from the United States Environmental Protection Agency, Occupational Safety and Health Administration, Illinois Environmental Protection Agency, or other federal, state, or local agency or authority, or any other entity or individual, concerning (i) any actual or alleged Release of a Hazardous Material on, to or from the Premises; (ii) the imposition of any lien on the Premises; (iii) any actual or alleged violation of, or responsibility under, any Environmental Laws; or (iv) any actual or alleged liability under any theory of common law tort or toxic tort, including without limitation, negligence, trespass, nuisance, strict liability, or ultrahazardous activity.

24.4 Landlord's Right to Inspect. Landlord and Landlord's employees shall have the right to enter the Premises and conduct appropriate inspections or tests for the purpose of determining Tenant's compliance with Environmental Laws, and (ii) determining the type, kind and quantity of all products, materials and substances brought onto the Premises, or made or produced thereon. Landlord and its agents and representatives shall have the right to take samples in quantities sufficient for analysis of all products, materials and substances present on the Premises including, but not limited to, samples, products, materials or substances brought onto or made or produced on the Premises by Tenant or its agents, employees, contractors or invitees. Tenant agrees to cooperate with such investigations by providing any relevant information requested by Landlord. Tenant may not perform any sampling, testing, or drilling to locate Hazardous Materials in the Building components on the Premises without the Landlord's prior written consent.

24.5 Tests and Reports. Within ten (10) days of Tenant's receipt of a written request by Landlord, Tenant shall provide Landlord with (i) copies of all environmental reports and tests obtained by Tenant; (ii) copies of transportation and disposal contracts (and related manifests, schedules, reports, and other information) entered into or obtained by Tenant with respect to any Hazardous Materials; (iii) copies of any permits issued to Tenant under Environmental Laws with respect to the Premises; (iv) copies of any and all reports, notifications, and other filings made by Tenant to any federal, state, or local environmental authorities or agencies; and (v) any other applicable documents and information with respect to environmental matters relating to the premises. Tenant shall provide Landlord with the results of appropriate reports and tests, with transportation and disposal contracts for Hazardous Materials, with any permits issued under Environmental Laws, and with any other documents necessary to demonstrate that Tenant complies with all Environmental Laws relating to the Premises.

24.6 Tenant's Obligation to Respond. If Tenant's Management of Hazardous Materials at the Premises (i) gives rise to liability or to a Claim under any Environmental Law, or any common law theory of tort or otherwise; (ii) causes a threat to, or endangers, the public

health; or (iii) creates a nuisance or trespass, Tenant shall, at its sole cost and expense, promptly take all applicable action in response so as to comply with all applicable Environmental Laws and eliminate or avoid any liability claim with respect thereto.

- 24.7 Landlord's Right to Act.** In the event that Tenant shall fail to comply with any of its obligations under this Article 24 as and when required hereunder, Landlord shall have the right (but not the obligation) to take such action as is required to be taken by Tenant hereunder and in such event, Tenant shall be liable and responsible to Landlord for all costs, expenses, liabilities, claims and other obligations paid, suffered, or incurred by landlord in connection with such matters. Tenant shall reimburse Landlord immediately upon demand for all such amounts for which Tenant is liable.

ARTICLE 25
SECURITY DEPOSIT
INTENTIONALLY DELETED

ARTICLE 26
RELOCATION OF TENANT

- 26 Relocation.** At any time hereafter, Landlord may substitute for the Premises other premises (hereinafter referred to as the "new premises"), provided the new premises shall be similar to the Premises in area and use for Tenant's purposes, shall be located in the Building, and shall not be collocated on the same or adjacent floors within the Building that contain any operations funded by Tenant. If Tenant is already in occupancy of the Premises, then the following additional requirements shall apply: 1) Landlord shall pay the expense of Tenant for moving from the Premises to the new premises and for improving the new premises so that they are substantially similar to the Premises including, but not limited to, any applicable telecommunications costs; 2) Such move shall be made during evenings, weekends or otherwise so as to incur the least inconvenience to Tenant; and 3) Landlord shall first give Tenant at least thirty (30) days' notice before making such change. If Landlord exercises its right hereunder, the new premises shall thereafter be deemed for the purposes of this Lease as the Premises.

ARTICLE 27
TITLE AND COVENANT AGAINST LIENS

- 27 Title and Covenant Against Liens.** Landlord's title is paramount and always shall be paramount to the title of Tenant and nothing contained in this Lease shall empower Tenant to do any act which can, shall or may encumber the title of Landlord. Tenant covenants and agrees not to suffer or permit any lien of mechanics or materialmen to be placed upon or against the Premises, the Building, the Land or against Tenant's leasehold interest in the Premises and, in case of any such lien attaching, to pay and remove the same immediately. Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon the Premises, the Building or the Land, and any and all liens and

encumbrances created by Tenant shall attach only to Tenant's interest in the Premises. If any such liens so attach and Tenant fails to pay and remove the same within ten (10) days, Landlord, at its election, may pay and satisfy the same and in such event the sums so paid by Landlord, with interest from the date of Landlord's payment thereof at the rate set forth in Section 28.9 for amounts owed to Landlord by Tenant, shall be deemed to be additional rent due and payable by Tenant at once without notice or demand.

ARTICLE 28 MISCELLANEOUS

28 Miscellaneous.

- 28.1 Successors and Assigns.** Each provision of this Lease shall extend to and shall bind and inure to the benefit not only of Landlord and Tenant, but also of their respective heirs, legal representatives, successors and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge or subletting contrary to the provisions of this Lease.
- 28.2 Modifications in Writing.** No modification, waiver or amendment of this Lease or of any of its conditions or provisions shall be binding upon Landlord unless in writing signed by Landlord.
- 28.3 Non-Waiver.** No waiver of any condition expressed in this Lease shall be implied by any neglect of Landlord to enforce any remedy on account of the violation of such condition whether or not such violation is continued or repeated subsequently, and no express waiver shall affect any condition other than the one specified in such waiver and that one only for the time and in the manner specifically stated. Without limiting Landlord's rights under Article 9, it is agreed that no receipt of moneys by Landlord from Tenant after the termination in any way of the Term or of Tenant's right to possession hereunder or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given to Tenant prior to the receipt of such moneys. It is also agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any moneys due, and the payment of said moneys shall not waive or affect said notice, suit or judgment.
- 28.4 Option; Irrevocable Offer.** Submission of this instrument for examination shall not constitute a reservation of or option for the Premises or in any manner bind Landlord and no lease or obligation on Landlord shall arise until this instrument is signed and delivered by Landlord and Tenant; provided, however, the execution and delivery by Tenant of this Lease to Landlord or the Building Manager shall constitute an irrevocable offer by Tenant to lease the Premises on the terms and conditions herein contained, which offer may not be revoked for thirty (30) days after such delivery.
- 28.5 Definition of Tenant.** The word "Tenant" whenever used herein shall be construed to mean the party named above as Tenant or any one or more of them in all cases where there is more than one party named above as Tenant; and the necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships or other entities or individuals shall in all cases be assumed as though in each case fully expressed. In

all cases where there is more than one party named above as Tenant, the liability of each shall be joint and several.

- 28.6 Definition of Landlord.** The term "Landlord" as used in this Lease means only the owner or owners at the time being of the Building so that in the event of any assignment, conveyance or sale, once or successively, of the Building, or any assignment of this Lease by Landlord, said Landlord making such sale, conveyance or assignment shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder accruing after such sale, conveyance or assignment, and Tenant agrees to look solely to such purchaser, grantee or assignee with respect thereto. This Lease shall not be affected by any such assignment, conveyance or sale, and Tenant agrees to attorn to the purchaser, grantee or assignee.
- 28.7 Headings.** The headings of Articles and Sections are for convenience only and do not limit, expand or construe the contents of the Articles and Sections.
- 28.8 Time of Essence.** Time is of the essence of this Lease and of all provisions hereof.
- 28.9 Default Rate of Interest.** All amounts, including, without limitation, Base Rent and Rent Adjustments, owed by Tenant to Landlord pursuant to any provision of this Lease shall bear interest from the date due until paid at the annual rate of four percent (4%) in excess of the rate of interest announced from time to time by Chase Bank at Chicago, Illinois, as its prime, reference or corporate base rate, changing as and when said prime, reference or corporate base rate changes, unless a lesser rate is then the maximum rate permissible by law with respect thereto, in which event said lesser rate shall be charged.
- 28.10 Severability.** The invalidity of any provision of this Lease shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Lease.
- 28.11 Entire Agreement.** All understandings and agreements, oral or written, previously made between the parties hereto are merged in this Lease, which alone fully and completely expresses the agreement between Landlord and Tenant. This Lease cannot be amended or modified except by a written instrument executed by Landlord and Tenant.
- 28.12 Integration and Execution.** This Lease consists of this Lease, Exhibits A, B and C and the Lease Execution Forms and Certifications, all of which are attached hereto and by this reference made a part hereof. Execution of this Lease shall be effected by execution of Certifications and Lease Execution Forms attached hereto.
- 28.13 Force Majeure.** If Landlord fails to perform timely any of the terms, covenants or conditions of this Lease to be performed by Landlord and such failure is due in whole or in part to any strike, lockout, labor trouble, civil disorder, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, war, fuel shortages, accidents, casualties, acts of God, acts caused directly or indirectly by Tenant, or by Tenant's agents, employees, contractors, licensees or invitees, or any other cause beyond the reasonable control of Landlord, then Landlord shall not be deemed in default under this Lease as a result of such failure and any time for performance by Landlord provided for herein shall be extended by the period of delay resulting from such cause.
- 28.14 Governing Law and Venue.** This Lease shall be governed by and construed under the laws of the State of Illinois. Landlord and Tenant irrevocably agree that any action or

proceeding in any way, manner or respect arising out of the Lease, or arising from any dispute or controversy arising in connection with or related to the Lease, shall be litigated only in the courts having situs within the City of Chicago, the County of Cook, the State of Illinois, and Landlord and Tenant consent and submit to the jurisdiction of any local, state or federal court located within such City, County and State; provided, however, that monetary claims against Tenant shall be litigated in the Court of Claims in Cook County. Each party waives any right it may have to transfer or change the venue of any litigation brought against it by the other party in accordance with these provisions.

28.15 Waiver of Trial by Jury. Landlord and Tenant mutually, expressly, irrevocably and unconditionally waive trial by jury for any proceedings, whether in law or in equity arising out of or in connection with this Lease, or any conduct or course of dealing of the parties, statements (whether oral or written) or actions of any person. This waiver is a material inducement to Tenant to enter into this Lease.

28.16 Indemnification and Hold Harmless Obligations. With respect to any indemnification and hold harmless obligations of either Tenant or Landlord set forth in this Lease, the indemnifying party is not precluded from raising any defense and/or immunity with respect to third party claims under the Local Government and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 *et. seq.*). Furthermore, neither party is required to indemnify the other for such party's own negligence.

ARTICLE 29 AMERICANS WITH DISABILITIES ACT

29 Americans with Disabilities Act. The parties acknowledge that the Americans With Disabilities Act of 1990 (42 U.S.C. §12101 *et seq.*) and regulations and guidelines promulgated thereunder, as all of the same may be amended and supplemented from time to time (collectively referred to herein as the "ADA") establish requirements under Title III of the ADA ("Title III") pertaining to business operations, accessibility and barrier removal, and that such requirements may be unclear and may or may not apply to the Premises and the Building depending on, among other things: (1) whether Tenant's business operations are deemed a "place of public accommodation" or a "commercial facility," (2) whether compliance with such requirements is "readily achievable" or "technically infeasible," and (3) whether a given alteration affects a "primary function area" or triggers so-called "path of travel" requirements. The parties acknowledge and agree that Tenant has been provided an opportunity to inspect the Premises and the Building sufficient to determine whether or not the Premises and the Building in their condition current as of the date hereof deviate in any manner from the ADA Accessibility Guidelines ("ADAAG") or any other requirements under the ADA pertaining to the accessibility of the Premises or the Building. Tenant further acknowledges and agrees that except as may otherwise be specifically provided herein, Tenant accepts the Premises and the Building in "as-is" condition and agrees that Landlord makes no representation or warranty as to whether the Premises or the Building conform to the requirements of the ADAAG or any other requirements under the ADA pertaining to the accessibility of the Premises or the Building. Tenant has prepared or reviewed the plans and specifications for the Tenant Improvements and has independently determined that such plans and specifications are in conformance with the ADAAG and any other requirements of the ADA. Tenant further acknowledges and agrees that to the extent that Landlord prepared,

reviewed or approved any of those plans and specifications, such action shall in no event be deemed any representation or warranty that the same comply with any requirements of the ADA. Notwithstanding anything to the contrary in this Lease, the parties hereby agree to allocate responsibility for Title III compliance as follows: (a) Tenant shall be responsible for all Title III compliance and costs in connection with the Premises, including structural work, if any, and including any leasehold improvements or other work to be performed in the Premises under or in connection with this Lease, and (b) Landlord shall perform, and Tenant shall be responsible for the cost of, any so-called Title III "path of travel" requirements triggered by any construction activities or alterations in the Premises. Except as set forth above with respect to Landlord's Title III obligations, Tenant shall be solely responsible for all other requirements under the ADA relating to the Tenant or any affiliates or persons or entities related to the Tenant (collectively, "Affiliates"), operations of the Tenant or Affiliates, or the Premises, including, without limitation, requirements under Title I of the ADA pertaining to Tenant's employees. Notwithstanding the foregoing, in the event that Tenant is required under Article 29 to remodel, repair, or otherwise improve the Premises in order to come into compliance with ADA and/or ADAAG, Tenant shall have the option of terminating this Lease with thirty (30) days written notice delivered to Landlord.

ARTICLE 30 COOK COUNTY HUMAN RIGHTS ORDINANCE

- 30 Cook County Human Rights Ordinance.** No person who is a party to a contract with the Landlord shall engage in unlawful discrimination or sexual harassment against any individual in the terms or conditions of employment, credit, public accommodations, housing, or provision of facilities, services or programs. By execution of this Lease, Tenant certifies its compliance with these policies and its agreement to abide by such policies as a part of its contractual obligations.

ARTICLE 31 TERMINATION RIGHTS

- 31 Right to Terminate.** One (1) year after the Commencement date, either Landlord or Tenant shall have the right to terminate this Lease by giving written notice to the other party of the effective date of such termination ("Termination Date") no later than six months prior to the Termination Date, time being of the essence. If either party shall elect in a timely manner to terminate this Lease, then effective as of the Termination Date, the Term of this Lease shall be deemed to have expired by lapse of time and Tenant shall return the Premises to Landlord on the Termination Date in accordance with the requirements of the Lease.

ARTICLE 32 AMENDMENTS

- 32 Amendments.** From time to time, the parties hereto may further amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration thereof. Provided, however, that such amendment(s) shall not serve to extend the term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such amendment(s) shall be in writing, shall establish the

factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Landlord and Tenant. Such amendment(s) shall only take effect upon execution by both parties. Upon execution, such amendment(s) shall become a part of the Lease and all other provisions of the Lease shall otherwise remain in full force and effect.

ARTICLE 33 LIMITATION OF LIABILITY

33 Limitation of Liability. Nothing contained in this Lease limits or eliminates any common-law or statutory defense that exist under federal, state or local law as of the Commencement Date. Tenant's and Landlord's obligations under the Lease, including any obligations to indemnify, hold harmless or reimburse the other party, are subject to such defenses.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of _____, 2012.

TENANT:

CITY OF CHICAGO,
an Illinois Municipal Corporation and Home Rule Unit of Government

BY: THE DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By: _____
Commissioner

APPROVED: OFFICE OF THE INSPECTOR GENERAL

By: _____
Inspector General

APPROVED AS TO FORM AND LEGALITY:
BY: THE DEPARTMENT OF LAW

By: _____
Deputy Corporation Counsel
Real Estate Division

ACCEPTANCE

The undersigned, on behalf of the County of Cook, a body politic and corporate of the State of Illinois, hereby accepts the foregoing Lease.

TOTAL AMOUNT OF BASE RENT FOR THE TERM OF THE LEASE:
\$1.00, PLUS PASS-THROUGH OPERATING EXPENSES, AS SET FORTH IN THE LEASE.

COUNTY OF COOK, a body corporate and politic of The State of Illinois

By: _____
Toni Preckwinkle, President
Cook County Board of Commissioners

ATTEST:

COOK COUNTY CLERK

By: _____
David D. Orr

COMPTROLLER

By: _____

Approved as to form: _____
Assistant State's Attorney

EXHIBIT A
FLOOR PLAN FOR THE PREMISES

69W City of Chicago IG Lease doc
January 13, 2012

EXHIBIT B
RULES AND REGULATIONS

1. Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition or wall which may in Landlord's reasonable judgment appear unsightly from outside the Premises or the Building. Landlord shall furnish and install building standard window blinds at all exterior windows.
2. At Tenant's option, the directory located in the lobby as provided by Landlord shall be available to Tenant solely to display its name and location in the Building, which display shall be as directed by Landlord. Landlord may not require that Tenant place Tenant's name on the Building directory.
3. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used by Tenant for any purpose other than for ingress to and egress from the Premises. The halls, passages, exits, entrances, elevators, stairways, balconies and roof are not for the use of the general public and the Landlord shall in all cases retain the right to reasonably control and prevent access thereto by all persons whose presence in the judgment of Landlord, reasonably exercised, shall be prejudicial to the safety, character and reputation of the Building. Neither Tenant nor any employees or invitees of any tenant shall go upon the roof of the Building.
4. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and to the extent damage is caused by Tenant, its employees or invitees, the reasonable expense of any such damage shall be borne by Tenant.
5. Tenant shall not cause any unnecessary janitorial labor or services by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness.
6. No cooking shall be done or permitted by Tenant on the Premises with the exception of brewing coffee or use of microwave oven, nor shall the Premises be used for lodging.
7. Tenant shall not bring upon, use or keep in the Premises or the Building without Landlord's consent any kerosene, gasoline or inflammable or combustible fluid or material, or use any method of heating or air-conditioning other than that supplied by Landlord.
8. Landlord shall have sole power to direct electricians as to where and how telephone and other wires are to be introduced. No boring or cutting for wires will be allowed without the consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord, which approval shall not unreasonably be withheld.
9. Upon the termination of the tenancy, Tenant shall deliver to the Landlord all keys and passes for offices, rooms, parking lot and toilet rooms which shall have been furnished Tenant. In the event of loss any keys so furnished, Tenant shall pay the Landlord the reasonable cost therefor. Tenant shall not make or cause to be made any such keys and shall order all such keys solely from Landlord and shall pay Landlord for any additional such keys over and above the two sets of keys furnished by Landlord.

10. Tenant shall not install linoleum, tile, carpet or other floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by the Landlord.
11. No furniture, packages, supplies, equipment or merchandise will be received in the Building or carried up or down in the elevators, except between such hours and in such elevators as shall be designated by the Landlord.
12. Tenant shall cause all doors to the Premises to be closed and securely locked before leaving the Building at the end of the day.
13. Without the prior written consent of Landlord, Tenant shall not use the name of the Building or any picture of the Building in connection with or in promoting or advertising the business of Tenant except Tenant may use the address of the Building as the address of its business.
14. Tenant shall not waste heat or air-conditioning and shall cooperate fully with Landlord to assure the most effective operation of the Building's heating and air-conditioning, and shall refrain from attempting to adjust any controls other than room thermostats installed for Tenant's use. Tenant shall keep corridor doors closed.
15. Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means for entry to Premises closed and secured.
16. Peddlers, solicitors and beggars shall be reported to the Office of the Building or as Landlord otherwise requests.
17. Tenant shall not advertise the business, profession or activities of Tenant conducted in the Building in any manner which violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining to such business, profession or activities.
18. Tenant shall allow no animals or pets (except seeing eye or personal aide dogs) to be brought into or to remaining the Building or any part thereof.
19. No eating, drinking, sleeping, or loitering shall be permitted in the lobby areas.
20. The Landlord may from time to time reasonably alter or amend these Rules and Regulations, and the Tenant, upon receipt of written Notice thereof, shall comply with the Amended Rules and Regulations.

**69 West Washington Street, Suite 1420
Office of the Inspector General
Lease No. 14227**

SECTION 2: This Ordinance shall be effective from and after the date of its passage and approval.