



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
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Legislation Details (With Text)

File #: SO2021-5293
Type: Ordinance **Status:** Passed
File created: 11/17/2021 **In control:** City Council
Final action: 12/15/2021
Title: Lease agreement with Hastings Center Office LLC for use of office space at 1340 S Damen Ave
Sponsors: Lightfoot, Lori E.
Indexes: Lease
Attachments: 1. SO2021-5293.pdf, 2. O2021-5293.pdf

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	Signed by Mayor	
12/15/2021	1	City Council	Passed as Substitute	Pass
12/2/2021	1	Committee on Housing and Real Estate	Recommended to Pass	
12/2/2021	1	Committee on Housing and Real Estate	Substituted in Committee	
11/17/2021	1	City Council	Referred	

SUBSTITUTE 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 Assets, Information & Services is authorized to execute a Lease Agreement (No. 10086) with Hastings Center Office, LLC, as Landlord, for the use of office space in Suite 400 of the building located at 1340 South Damen Avenue; such Lease to be approved by the Department of Public Health, and, as to form and legality, by the Corporation Counsel, in substantially the following form:

1340 S. Damen Ave. Lease No. 10086

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

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THIS LEASE (the "Lease") is made and entered into this _____ day of _____, 2021, by and between HASTINGS CENTER OFFICE, LLC, an Illinois limited liability company (hereinafter referred to as "Landlord") and the CITY OF CHICAGO, an Illinois municipal corporation (hereinafter referred to as "Tenant").

RECITALS

WHEREAS, Landlord is the owner of the real property with a common address of 1340 South Damen Avenue including the adjacent parking lot and land (PINs 17-19-115-002 / -004 / -006; 17-114-052/053/055), Chicago, Cook County, Illinois (the "Property"), which is improved with a 4-story building; and

WHEREAS, Suite 400 of the Property, consisting of 40,188 rentable square feet of office space located on the 4th floor, is currently leased to a division of Cigna (a healthcare and health insurance company); and

WHEREAS, Cigna does not intend on continuing its operations at the Property and intends on terminating its lease upon Landlord securing another tenant for Suite 400; and

WHEREAS, Landlord is marketing Suite 400 of the Property as available for lease, subject to termination of Cigna's lease; and

WHEREAS, Tenant desires to lease office space within close proximity to the Illinois Medical District for use by its Department of Public Health, and has determined that Suite 400 of the Property is suitable for Tenant's needs; and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, the Premises (as hereinafter defined), upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION I. GRANT

Landlord hereby leases to Tenant the following described premises:

Suite 400, consisting of approximately 40,188 square feet of office space, located on the 4th floor of the building (the "Premises") located at 1340 South Damen Avenue (PINs 17-19-1 15-002 / -004 / -006), Chicago, Cook County, Illinois (the "Building").

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SECTION 2. TERM

1 Term. The term of this Lease ("Term") shall commence on February 1, 2022 (the "Commencement Date"), and shall end on January 31, 2029, unless sooner terminated as set forth in this Lease.

2 Termination by Tenant Prior to Commencement Date. Tenant has expressed its need for furnished office space and is in discussions with Landlord to retain the existing cubicles in the Premises, such

cubicles being the property of Cigna. Tenant shall have the right to terminate this Lease prior to the Commencement Date, without penalty, in the event the Premises are not furnished with cubicles.

3 Termination by Tenant During the Term. Tenant shall have the one time right to terminate this Lease at the end of the Third Lease Year upon nine (9) months prior written notice to Landlord. Such termination to be effective on or after January 31, 2025, without penalty.

4 Termination Due to Delay of Commencement Date. Landlord and Tenant shall have the right to terminate this Lease, without penalty, if Landlord is not able to secure the Premises from Cigna and deliver possession of the Premises to Tenant on or before the Commencement Date. At Tenant's election and in lieu of termination, the parties may agree in writing to delay the Commencement Date, but such delay shall not serve to extend the Term of this Lease beyond January 31, 2029.

SECTION 3. RENT, TAXES AND UTILITIES.

3.1 Rent. Tenant shall pay base rent for the Premises in the amount of:

a) Sixty-Six Thousand Nine Hundred Eighty and 00/100 Dollars (\$66,980.00) per month for the period beginning on February 1, 2022, and ending on January 31, 2023.

b) Sixty-Eight Thousand Nine Hundred Eighty-Nine and 40/100 Dollars (\$68,989.40) per month for the period beginning on February 1, 2023, and ending on January 31, 2024.

c) Seventy-One Thousand Fifty-Nine and 08/100 Dollars (\$71,059.08) per month for the period beginning on February 1, 2024, and ending on January 31, 2025.

d) Seventy-Three Thousand One Hundred Ninety and 85/100 Dollars (\$73,190.85) per month for the period beginning on February 1, 2025, and ending on January 31, 2026.

e) Seventy-Five Thousand Three Hundred Eighty-Six and 58/100 Dollars (\$75,386.58) per month for the period beginning on February 1, 2026, and ending on January 31, 2027.

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f) Seventy-Seven Thousand Six Hundred Forty-Eight and 18/100 Dollars (\$77,648.18) per month for the period beginning on February 1, 2027, and ending on January 31, 2028.

g) Seventy-Nine Thousand Nine Hundred Seventy-Seven and 62/100 Dollars (\$79,977.62) per month for the period beginning on February 1, 2028, and ending on January 31, 2029.

Base rent shall be prorated on a per diem basis if the Commencement Date is not the first day of the month or if the Term of this Lease shall be terminated on any day other than the last day of the month.

Rent shall be paid on or before the first day of the month during the Term. Landlord understands that Tenant's budget office does not provide funding until mid-February, and Tenant shall be granted until March 1 of a given calendar year to pay January and February rent without being deemed in default of its obligation to pay rent.

Rent shall be paid to Landlord c/o Ameritus, LLC 121 W Wacker Drive, Suite 1220 Chicago, Illinois 60601 ATTN: Accounting, or at such place as Landlord may from time to time, hereby designate in writing to Tenant.

2 Taxes and Other Levies. Landlord shall pay when due all real estate taxes, duties, assessments, sewer and water charges and other levies assessed against the Premises, except for those charges which this Lease specifies that Tenant shall pay..

3 Tenant's Reimbursement to Landlord for Taxes & CAM. Tenant shall reimburse Landlord for its proportionate share (equating to the square footage of Tenant's Premises as a percentage of the total rentable square feet of the Property) of real estate taxes and common area maintenance for the Property ("Operating Costs"). "Operating Costs" means any expenses, costs and disbursements of any kind paid or incurred by Landlord in connection with the ownership, leasing, management, maintenance, operation and repair of any part of the Property and of the personal property, fixtures, machinery, equipment, systems and apparatus used in connection therewith, including the cost of providing those services required to be furnished by Landlord under this Lease, including but not limited to Article 12. Operating Costs shall also include all legal fees and other costs and expenses paid by Landlord in seeking a refund or reduction of any real estate taxes, whether or not the Landlord is ultimately successful. Operating Costs shall not include (a) costs of alterations of tenant premises; (b) costs of capital improvements, except those (i) intended to reduce Operating Costs or (ii) made to keep the Property in compliance with governmental requirements applicable from time to time, amortized by Landlord in accordance with sound accounting and management principles; (c) interest and principal payments on mortgages or any other debt costs, or rental payments on any ground lease of the Property ("Ground Lease"); (d) real estate brokers' leasing commissions; and (e) any cost or expenditure for which Landlord is reimbursed, by insurance proceeds or otherwise, except by Operating Cost rent. Landlord shall provide Tenant with an estimate of Tenant's proportionate share of said costs at the beginning of each calendar year, and Tenant shall pay Landlord one-twelfth (1/12) of such amount

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in equal monthly installments. Upon obtaining the actual amount of real estate taxes and common area maintenance for the preceding year, Landlord shall determine whether Tenant has underpaid or overpaid Tenant's proportionate share and shall furnish Tenant with records to substantiate the actual costs. In the event of overpayment, Tenant shall be granted a credit for the amount of the overpayment. In the event of underpayment, Tenant shall pay Landlord the difference between the estimated and actual costs.

3.4 Utilities. Tenant shall pay when due all charges for light, heat, and telephone or other communication service, and all other utility services used in or supplied to the Premises, with the exception of water and sewer charges that are included in common area maintenance. Landlord shall sub-meter the Premises for Tenant's utilities if they are not already on a separate meter.

Landlord shall provide electricity and natural gas required for the operation of the Property, and shall include such payment in Operating Costs. If Landlord has made satisfactory arrangements with the utility companies supplying electricity to the Premises for separate metering and billing, Tenant shall pay directly to such utility companies all charges for the use of electricity to the Premises. In the event that for any reason Tenant cannot be billed directly, Landlord shall bill such usage on Tenant's rent statement with respect to the Premises and Tenant shall pay said bill promptly in accordance with the terms of the Lease.

SECTION 4. [OMITTED]

SECTION 5. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER.

1 Condition of Premises Upon Delivery of Possession. Landlord covenants that the Premises shall, at the time of delivery of possession to Tenant:

a) Comply in all respects with all laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments, ("Law") which may be applicable to the Premises or to the use or manner of use of the Premises;

b) Contain no environmentally hazardous materials.

Landlord's duty under this Section of the Lease shall survive Tenant's acceptance of the Premises.

2 Covenant of Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the rent and upon observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, shall lawfully and quietly hold, occupy and enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord or by any person or persons claiming under Landlord.

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3 Landlord's Duty to Maintain Premises and Right of Access. Unless otherwise provided in this Lease, Landlord shall, at Landlord's expense, keep the Premises in a condition of thorough repair and good order, and in compliance with all applicable provisions of the Municipal Code of the City of Chicago, including but not limited to those provisions in Title 13 ("Building and Construction"), Title 14 ("Electrical Equipment and Installation"), Title 15 ("Fire Prevention") and all applicable landscape ordinances. If Landlord shall refuse or neglect to make needed repairs within ten (10) days after mailing of written notice thereof sent by Tenant, unless such repair cannot be remedied within ten (10) days, and Landlord shall have commenced and is diligently pursuing all necessary action to remedy such repair, Tenant is authorized to make such repairs and to deduct the cost thereof from rents accruing under this Lease. Landlord shall have the right of access to the

Premises for the purpose of inspecting and making repairs to the Premises, provided that except in the case of emergencies, Landlord shall first give notice to Tenant of its desire to enter the Premises and will schedule its entry so as to minimize any interference with Tenant's use of Premises to prospective or actual purchasers, mortgagees, tenants, workmen, or contractors or as otherwise necessary in the operation or protection of the Premises.

4 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any Law. Tenant further covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises, disfigurement or injury to any building or improvement on the Premises, or to fixtures and equipment thereof.

5 Alterations and Additions. Tenant shall have the right to make such alterations, additions and improvements on the Premises as it shall deem necessary ("Tenant's Work"). Provided, however, that any such alterations, additions and improvements shall be in full compliance with the applicable Law and provided that Tenant has obtained the prior written consent of Landlord. Landlord shall not unreasonably withhold consent. Tenant shall pay for the costs of Landlord's review of the plans (if incurred) that are mechanical, electrical, plumbing or structural in nature, submitted by Tenant. Tenant shall pay for the cost of all Tenant's Work:

a) Prior to commencement of Tenant's Work, Tenant shall furnish certificates of insurance, for Tenant and all contractors, satisfactory to Landlord.

b) Tenant shall perform all Tenant's Work so as to maintain peace and harmony among other contractors serving the Property and shall avoid interference with other work to be performed or services to be rendered in the Premises.

c) Tenant's Work shall be performed in a good and workman like manner, meeting the standard of construction and quality of materials in the Premises and shall comply with all insurance requirements and applicable laws, ordinance and regulations.

d) Tenant shall permit Landlord to supervise all Tenant's Work. Landlord may charge a supervisory fee not to exceed three percent (3%) of labor and materials and all other costs of Tenant's work, if Tenant's employees or contractors perform the work.

e) Upon completion of Tenant's Work, Tenant shall furnish Landlord with contractor's affidavits and full and final statutory waivers of liens, as-built plans and specifications and receipted bills covering all labor and materials.

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SECTION 6. ASSIGNMENT, SUBLEASE, AND HENS.

1 Assignment and Sublease. Tenant shall not, without the prior written consent of Landlord (which consent shall not be unreasonably withheld) and upon sixty (60) days written notice to Landlord of any assignment or subletting, assign this Lease in whole or in part, or sublet the Premises or any part thereof. Landlord may withhold its consent to the assignment or sublease if Tenant is in default under this Lease, if the proposed assignee or sublease is a tenant in the Property or an affiliate of such tenant, or if the financial responsibility, nature of business and character of the proposed assignee or sublease are not all reasonably satisfactory to Landlord. No consent granted by Landlord shall relieve Tenant

of any of its obligations under this Lease, nor shall it be deemed to be a consent to any subsequent assignment or transfer, sublease or occupancy. Tenant shall pay all of Landlord's attorneys' fees and other expenses incurred in connection with any consent requested by Tenant of in reviewing any proposed assignment or sublease up to a maximum amount of \$2,500.00 per review/request. Any assignment or transfer, or sublease or occupancy without Landlord's consent shall be void.

2 Tenant's Covenant Against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises. All liens and encumbrances created by Tenant shall attach to Tenant's interest only.

SECTION 7. INSURANCE AND INDEMNIFICATION.

7.1 Insurance. The Landlord shall procure and maintain at all times, at Landlord's own expense, during the term of this Lease, the insurance coverages and requirements specified below, insuring all operations related to the Lease.

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance, in accordance with the laws of the State of Illinois, or any other applicable jurisdiction, covering all Landlord's employees at the Premises and Employer's Liability coverage with limits of not less than \$500,000 each accident or illness. This provision shall also apply to Landlord's employees, agents or clients hired for work on the Premises.

b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (with no limitation endorsement). The City of Chicago, its employees, elected officials, agents, and representatives are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from the Lease.

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c) Automobile Liability Insurance. (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Landlord shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence, for bodily injury and property damage.

d) All Risk Property Insurance. All risk property insurance coverage shall be maintained by the Landlord for full replacement value to protect against loss, damage to or destruction of property.

The Landlord shall be responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by the Landlord.

7.2 Other Terms of Insurance. The Landlord will furnish the City of Chicago, Department of Assets,

Information & Services, Office of Real Estate Management, 2 North LaSalle Street, Suite 200, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Lease, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Lease. The Landlord shall submit evidence on insurance prior to Lease execution. The receipt of any certificates does not constitute agreement by the Tenant that the insurance requirements in the Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all Lease requirements. The failure of the Tenant to obtain certificates or other insurance evidence from Landlord shall not be deemed to be a waiver by the Tenant. The Landlord shall advise all insurers of the Lease provisions regarding insurance. Nonconforming insurance shall not relieve Landlord of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease, and the Tenant retains the right to terminate the Lease until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior, written notice to be given to the Tenant in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Landlord.

The Landlord agrees that insurers shall waive their rights of subrogation against the City of Chicago its employees, elected officials, agents or representatives.

The Landlord expressly understands and agrees that any coverages and limits furnished by Landlord shall in no way limit the Landlord's liabilities and responsibilities specified within the Lease documents or by law.

The Landlord expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall apply in excess of and not contribute to insurance provided by the Landlord under the lease. Tenant expressly understands and agrees that any coverages maintained by Landlord do not insure Tenant improvements in the Premises

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nor its interest in any of its personal property and trade fixtures located on or within the Premises, including, without limitation, its office furniture, equipment and supplies.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The City of Chicago, Office of Risk Management maintains the right to reasonably modify, delete, alter or change these requirements, as long as they do not exceed, or are more stringent, than the above requirements.

3 Tenant Self-Insurance. Tenant is self-insured for its liability exposure and shall remain a self-insured entity throughout the Term of this Lease.

4 Mutual Indemnification. Landlord and Tenant shall indemnify and hold each other harmless against all liabilities, judgment costs, damages, and expenses which may accrue against, be charged to, or be recovered from either party by reason of any negligent performance of or failure to perform any of their obligations under this Lease.

SECTION 8. DAMAGE OR DESTRUCTION.

8.1 Damage or Destruction.

A. Termination.

If a fire or other casualty causes substantial damage to the Building or the Premises, Landlord shall notify Tenant within one (1) month of the casualty of Landlord's good faith estimate of the amount of time needed to restore the Building and the Premises to tenantability, using standard working methods. If the time needed exceeds six (6) months from the beginning of the restoration, or two (2) months therefrom if the restoration would begin during the last eighteen (18) months of the Term, then in the case of the Premises, either Landlord or Tenant may terminate this Lease, and in the case of the Building, Landlord may terminate this Lease, by written notice to the other party. Landlord's termination shall be included in its notice to Tenant of the estimated restoration period. Tenant's notice shall be given to Landlord within one (!) month of receipt of Landlord's estimate of the duration of the restoration period. The termination shall be effective thirty (30) days from the date of the notice and Rent shall be paid by Tenant to that date, with an abatement for any portion of the space which has been untenable (and which Tenant has not used or occupied) after the casualty.

B. Restoration.

If a casualty causes damage to the Building or the Premises but this Lease is not terminated for any reason, then subject to the rights of any mortgagees or ground lessors, Landlord shall obtain the applicable insurance proceeds and diligently restore the Building and the Premises subject to current governmental requirements. Rent shall be abated on a per diem basis during the restoration for any portion of the Premises which is untenable (and which Tenant has not used or occupied), except to the extent that Tenant's negligence caused the casualty and Landlord's rent loss insurance would not provide coverage if the Rent were abated

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SECTION 9. [OMITTED!]

SECTION 10. HOLDING OVER.

10.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning February 1, 2029, and the rent shall be at 105% of the rate as set forth in Section 3.1 (g) of this Lease.

Nothing herein contained shall be deemed to permit Tenant to retain possession of the Premises after the

expiration or sooner termination of this Lease or to limit in any manner Landlord's right to regain possession of the Premises through summary proceedings, or otherwise, and no acceptance by Landlord of payments from Tenant after the expiration or sooner termination of the term of this Lease shall be deemed to be other than on account of the amount to be paid by Tenant in accordance with the provisions of this section. The provisions of this section shall survive the expiration or sooner termination of this Lease

SECTION 11. MISCELLANEOUS.

11.1 Notice. All notices, demands and requests which may be or are required to be given demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Landlord to Tenant shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to Tenant as follows:

City of Chicago
Department of Assets, Information & Services Office of
Real Estate Management 2 North LaSalle - Suite 200
Chicago, Illinois 60602

With Copy to:

City of Chicago
Department of Law
Real Estate & Land Use Division
121 N. LaSalle Street, Suite 600
Chicago, Illinois 60602

or at such other place as Tenant may from time to time designate by written notice to Landlord and to Tenant at the Premises. All notices, demands, and requests by Tenant to Landlord shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Landlord as follows:

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121 Wacker, LLC

c/o Ameritus LLC

121 W. Wacker Drive, Suite 1220

Chicago, IL 60601

Attn: Asset Manager ^_

or at such other place as Landlord may from time to time designate by written notice to Tenant. Any notice, demand or request which shall be served upon Landlord by Tenant, or upon Tenant by Landlord, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder three (3) business days after the time such notice, demand or request shall be mailed.

11.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

1 1.3 Governing Law. This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois.

1 1.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto pursuant to Section 11.13 hereunder.

5 Captions and Section Numbers. The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

6 Binding Effect of Lease. The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns. •

7 Time is of the Essence. Time is of the essence of this Lease and of each and every provision hereof.

8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are the duly authorized and acting representatives of Landlord and Tenant respectively and that by their execution of this Lease, it became the binding obligation of Landlord

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and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

10 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing (except for the payment of rent), the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of

time the party is so delayed.

11 Condemnation. If the whole or any substantial part of the Premises are taken or condemned by any competent authority for any public use or purpose, or if any adjacent property or street shall be so condemned or improved in such a manner as to require the use of any part of the Premises, the term of this Lease shall, at the option of Landlord or the condemning authority, be terminated upon, and not before, the date when possession of the part so taken shall be required for such use or purpose, and Landlord shall be entitled to receive the entire award without apportionment with Tenant. Rent shall be apportioned as of the date of Tenant's vacating as the result of said termination.

12 No Brokers. The Department of Assets, Information & Services did not engage any real estate brokers, tenant representatives, or other finders. Tenant warrants to Landlord that no broker, tenant representative, or other finder (a) introduced Tenant to Landlord, (b) assisted Tenant in the negotiation of this Lease, or (c) dealt with Tenant on Tenant's behalf in connection with the Premises or this Lease. Under no circumstances shall Tenant make any payments due hereunder to any broker(s).

13 Amendments. From time to time, the parties hereto may amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of said Lease Agreement, including but not limited to expansion or contraction of Tenant's Premises. Provided, however, that such Amendment(s) shall not serve to extend the Lease 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 this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

14 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

SECTION 12. ADDITIONAL RESPONSIBILITIES OF LANDLORD.

12.1 Roof. Landlord shall at all times maintain the roof in a watertight condition.

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2 Water Service. Landlord shall ensure there is water service to the Premises and shall provide a hot water heater for supplying hot water to the Premises.

3 Plumbing. Landlord shall maintain plumbing in good operable condition, excluding damage caused by acts of vandalism or negligence attributable to Tenant, Tenant's agents or Tenant's clients.

4 Fire Extinguishers. Landlord shall provide and maintain fire extinguishers in the Premises at all

times as required by code. Provided, however, that Landlord shall not be responsible for replacement of fire extinguishers that are vandalized or stolen from the Premises.

5 Air-Conditioning. Landlord shall provide air-conditioning to the Premises required for the comfortable occupancy of the Premises during normal business hours of 8:00 a.m. to 6:00 p.m. Monday through Friday, Saturdays from 8:00 a.m. to 1:00 p.m. and Sundays and holidays excepted. Landlord shall maintain the plant and equipment in good operable condition, excluding damage caused by acts of vandalism from Tenant or any of its agents or clients. Tenant shall pay for the operation of any supplementary air conditioning or ventilating system(s) required for its equipment or use of the Premises.

6 Heat. Landlord shall provide for heat to the Premises required for the comfortable occupancy of the Premises during normal business hours of 8:00 a.m. to 6:00 p.m. Monday through Friday, Saturdays from 8:00 a.m. to 1:00 p.m. and Sundays and holidays excepted. Landlord shall maintain the plant and equipment in good operable condition, excluding damage caused by acts of Tenant or any of its agents or clients.

7 Engineering Service. Landlord shall provide, at Landlord's expense, any and all engineering service for maintenance of the Premises, including all structural, mechanical and electrical components and periodic preventative maintenance, but excluding any improvement placed upon the Premises by Tenant, the maintenance of which shall be Tenant's sole responsibility. Engineering service as used herein shall not be construed to mean cleaning, washing, or sweeping of any kind, or moving of furniture or replacing of light bulbs, etc., but shall refer strictly to service for the maintenance of the physical plant.

8 Extermination Service. Landlord shall provide and pay for exterminator service when necessary. Provided, however, that Tenant shall assume this responsibility in the event that extermination services are necessitated by Tenant's custodial negligence.

9 Snow Removal. Landlord shall provide prompt removal of snow and ice from sidewalk which immediately abut demised Premises.

10 Spot Painting. Landlord shall professionally spot paint the Premises on an as-needed basis as a result of normal wear and tear and not cause by Tenant or any of its agents or clients, as determined by mutual agreement of the parties.

12.1 1 Signage. In the event that Landlord ever installs a directory of Tenants occupying Landlord's property, Landlord shall include Tenant on such directory at no charge to Tenant.

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12 Access to Parking Lot. Tenant shall have access to one hundred and six (106) parking spaces free of charge. Tenant shall be entitled to add additional parking spaces up to a maximum of two hundred (200), if the number of available parking spaces in the parking lot can accommodate, at a cost of \$50.00 per space, plus any parking sales tax (beyond the initial 106 parking spaces), per month to Tenant.

Tenant's use of the parking lot shall be subject to and governed by the Parking Facility Rules and Regulations attached hereto and made a part of hereof as Rider 1

13 Other Free Services Provided to Other Tenants. In the event Landlord provides other commercially reasonable services to other tenants on Landlord's property free of charge, Landlord shall provide the same services free of charge to Tenant.

14 Unauthorized Improvements. Any improvements to the Premises effectuated by Landlord on Tenant's behalf shall only be performed upon written approval and concurrent Notice to Proceed from the Commissioner of the Department of Assets, Information & Services.

15 Repairs for Emergencies. In the event of an emergency where further delay would lead to material loss or significant damage to the Premises or the property occupied by other tenants of Landlord and provided such emergency is caused by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, invitees, agents, or contractors. Landlord may make such emergency repairs subject to full reimbursement to Landlord by Tenant of costs associated with such emergency repairs excluding any overhead and/or profit.

.12.16 Economic Disclosure Statement Updates. Upon the City's request throughout the Term, Tenant shall provide the City with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement. Failure to provide such information on a timely basis shall constitute an Event of Default under this Lease

17 Compliance with City Requirements. Tenant covenants and agrees to abide by, and contractually obligate and cause its contractors to abide by, the terms set forth in Exhibit A attached hereto.

18 Custodial Services. Landlord shall provide nightly custodial services for the common areas of the Building which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs, or sweeping.

SECTION 13. ADDITIONAL RESPONSIBILITIES OF TENANT.

13.1 Plate Glass. Tenant shall replace any broken or damaged plate glass during term of Lease which is not caused by acts or negligence of Landlord.

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2 Custodial Services. Tenant shall Provide and pay for nightly custodial services for the Premises which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs, or sweeping.

3 Signage. At Tenant's option, Tenant may choose to place graphic lettering at Tenant's entrances. The placement and maintenance of such graphic lettering shall be at Tenant's sole expense. Any such signage shall be subject to approval by Landlord which shall not be unreasonably withheld.

4 Security Service. Tenant shall pay for monthly alarm service, at Tenant's sole discretion.

5 Repairs for Tenant Negligence, Vandalism, or Misuse. Subject to approval as set forth herein, Tenant shall assume all responsibility for any repairs to the Premises necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, clients, invitees, agents, or contractors. In such case, Landlord shall notify Tenant in writing of such damage. At Tenant's option. Tenant may perform such repairs with service providers suitable to Tenant and at Tenant's sole cost without further setoff or deduction. In the alternative, Tenant may direct Landlord in writing to perform said repairs subject to full reimbursement to Landlord by Tenant of all costs associated with such repairs excluding any overhead and/or profit. Any repairs to the Premises effectuated by Landlord under this section shall only be performed by Landlord upon written approval and concurrent Notice to Proceed from the Commissioner of the Department of Assets, Information & Services.

6 Illegal Activity. Tenant, or any of its agents or employees, shall not perform or permit any practice that is injurious to the Premises or unreasonably disturbs other Tenants, is illegal, or increases the rate of insurance on the Premises.

7 Hazardous Materials. Tenant shall keep out of Premises materials which cause a fire hazard or safety hazard and Tenant shall comply with reasonable requirements of Landlord's fire insurance carrier; not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances.

8 Rules and Regulations. Tenant agrees to observe and comply with any reasonable rules and regulations (the "Rules and Regulations") applicable to all tenants and occupants of Landlord's strip mall property and such other reasonable rules and regulations as Landlord shall make and adopt by Landlord from time to time. Landlord shall uniformly apply such rules and regulations and shall not discriminate against Tenant in the enforcement of any such Rules and Regulations

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

LANDLORD: HASTINGS CENTER OFFICE, LLC, an Illinois limited liability company

By:

Name:

Its:

TENANT:

CITY OF CHICAGO, an Illinois Municipal Corporation

**BY: THE DEPARTMENT OF ASSETS, INFORMATION &
SERVICES**

By:

Commissioner

APPROVED: THE DEPARTMENT OF PUBLIC HEALTH

By:

Commissioner

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

Assistant Corporation Counsel

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EXHIBIT A CITY REQUIREMENTS

1. Conflict of Interest and Governmental Ethics.

a) Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as defined in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use his or her position to influence any City governmental decision or action with respect to this Lease.

b) Duty to Comply with Governmental Ethics Ordinance. The City and Landlord shall comply with Chapter 2-156 of the Municipal Code, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity, or offer of employment shall be made in connection with any City of Chicago contract as an inducement for the award of that contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City of Chicago.

2. Business Relationships. Landlord acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (b) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as described in Section 2-156-080 of the Municipal Code), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Landlord hereby represents and warrants that no violation of Section 2-145-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

3. Patriot Act Certification. Landlord represents and warrants that neither Landlord nor any Affiliate (as hereafter defined) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. As used in this Section, an "Affiliate" shall be deemed to be a person or entity related to Landlord that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Landlord, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or

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entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

4. Prohibition on Certain Contributions-Mayoral Executive Order No. 2011-4. Landlord agrees that Landlord, any person or entity who directly or indirectly has an ownership or beneficial interest in Landlord of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Landlord's contractors (i.e., any person or entity in direct contractual privity with Landlord regarding the subject matter of this Lease) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners

(Landlord and all the other preceding classes of persons and entities are together the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to the Mayor's political fundraising committee (a) after execution of this Lease by Landlord, (b) while this Lease or any Other Contract (as hereinafter defined) is executory, (c) during the Term of this Lease or any Other Contract, or (d) during any period while an extension of this Lease or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Landlord represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached Landlord, or the date Landlord approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to the Mayor's political fundraising committee.

Landlord agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to the Mayor's political fundraising committee.

Landlord agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein. Landlord agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Lease or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Lease, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Landlord intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to execute this Lease.

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For purposes of this provision:

a) "Bundle" means to collect contributions from more than one source, which contributions are then delivered by one person to the Mayor or to his political fundraising committee.

b) "Other Contract" means any other agreement with the City to which Landlord is a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council.

c) "Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code, as amended.

- d) Individuals are "domestic partners" if they satisfy the following criteria:
- i) they are each other's sole domestic partner, responsible for each other's common welfare; and
 - ii) neither party is married; and
 - iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
 - iv) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
 - v) Two of the following four conditions exist for the partners:
 - 1) The partners have been residing together for at least 12 months.
 - 2) The partners have common or joint ownership of a residence.
 - 3) The partners have at least two of the following arrangements:
 - A) joint ownership of a motor vehicle;
 - B) joint credit account;
 - C) a joint checking account;
 - D) a lease for a residence identifying both domestic partners as tenants.
 - 4) Each partner identifies the other partner as a primary beneficiary in a will.

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(e) "Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code, as amended.

5. Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code, Landlord warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Landlord's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Landlord's,

general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease, and may further affect Landlord's eligibility for future contract awards.

6. Failure to Maintain Eligibility to Do Business with the City. Failure by Landlord or any controlling person (as defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code shall be grounds for termination of this Lease and the transactions contemplated thereby. Landlord shall at all times comply with Section 2-154-020 of the Municipal Code.

7. Cooperation with Office of Inspector General. It is the duty of Landlord and any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of any such grantee, subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Landlord represents and warrants that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that Landlord will inform its Contractors and Subcontractors of this provision and require their compliance.

8. 2014 Hiring Plan Prohibitions.

a) The City is subject to the June 16, 2014 "City of Chicago Hiring Plan", as amended (the "2014 City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

b) Landlord is aware that City policy prohibits City employees from directing any individual to apply for a position with Landlord, either as an employee or as a subcontractor, and from directing Landlord to hire any individual as an employee or as a subcontractor. Accordingly, Landlord must follow its own hiring and contracting procedures, without being influenced by the City or City employees. Any and all personnel

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provided by Landlord under this Lease are employees or subcontractors of Landlord, not employees of the City. This Lease is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Landlord.

c) Landlord will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of

this Lease, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

d) In the event of any communication to Landlord by a City employee or City official in violation of paragraph (ii) above, or advocating a violation of paragraph (iii) above, Landlord will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("OIG Hiring Oversight"), and also to the head of the relevant City department utilizing services provided under this Lease. Landlord will also cooperate with any inquiries by OTG Hiring Oversight.

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RIDER 1

PARKING FACILITY RULES & REGULATIONS SECTION I.

USE & ACCESS

1 Parking Facility. Tenant shall have, appurtenant to the Parking Spaces, the use, in common with others entitled thereto, of the driveways, walkways, and stairs providing access to and from the Parking Spaces in the outdoor parking lot (the "Parking Facility").

2 Condition of Parking Spaces. The Parking Spaces will be delivered to Tenant in "as is" condition. By taking possession of the Parking Spaces, Tenant is deemed to have accepted the Parking Spaces and agreed that the Parking Spaces are in good order and satisfactory condition, with no representation or warranty by Landlord as to the condition of the Parking Spaces or the suitability thereof for Tenant's use.

3 Permitted Use of Parking Spaces. Tenant shall use the Parking Spaces for the purpose of parking passenger vehicles of Tenant and its employees, agents, contractors and invitees only and for no other purpose. Without limiting the foregoing, Tenant agrees that no automotive repairs and no washing or waxing of vehicles may be undertaken in the Parking Spaces or Parking Facility. Further, Tenant shall not cause or permit any nuisance in the Parking Facility or permit any activity that will interfere with the rights of other users of the Parking Facility.

4 Repairs & Maintenance to Parking Spaces. Landlord reserves the right to make repairs, renovations and improvements to the Parking Facility without any abatement of rent unless Tenant is permanently denied access to the Parking Spaces in excess of one (1) Business Day. Landlord shall use reasonable efforts to maintain access to the Parking Spaces during the course of any such work by Landlord.

5 Use Confined to Parking Spaces. Tenant agrees that it shall not park any vehicles anywhere in the Parking Facility other than in the Parking Spaces. Landlord shall have the right to tow any such improperly parked vehicles without prior notice to Tenant or any other person at Tenant's sole cost and expense, and Tenant hereby agrees to indemnify and hold Landlord harmless from and against any and all claims, costs or liabilities arising from the towing or storage of such vehicles.

6 Authorization Tags or Stickers. Landlord reserves the right to require that all vehicles parking in the

Parking Facility display a tag or sticker issued by Landlord authorizing the parking of such vehicle in the Parking Facility, and that each such vehicle be registered with Landlord. Landlord shall not be obligated to issue more authorization tags or stickers than there are Parking Spaces leased to Tenant hereunder. In the event Landlord issues authorization cards or stickers, Landlord reserves the right (but shall not be obligated) to tow any vehicle parked in the Parking Facility which does not display a valid authorization tag or sticker issued by Landlord at the expense of the owner thereof.

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SECTION 2. HAZARDOUS SUBSTANCES

Under no circumstances shall Tenant place or store any of the following in or about the Parking Spaces (i) combustible materials or substances (other than the fuel in the tanks of the vehicles parked in the Parking Spaces), (ii) materials or substances that are identified or defined as hazardous or toxic materials, substances or wastes or as pollutants under any federal, state or local law, ordinance or regulation pertaining to the environment, pollution or public health ("Hazardous Substances Laws"), or (iii) materials or substances which are regulated by Hazardous Substances Laws. Without limiting the foregoing, Landlord shall have the right to prohibit, and to require the immediate removal of, any vehicle that is leaking fuel, oil, coolant, or other engine fluids. Tenant shall indemnify and hold Landlord harmless from and against any and all expense, cost and liability arising directly and/or indirectly from Tenant's violation of this Section 2, such indemnification to survive the expiration or earlier termination of the lease of Parking Spaces.

SECTION 3. SURRENDER OF PARKING SPACES

Upon the expiration or earlier termination of the term of the Master Lease, Tenant shall surrender any access card keys to the Parking Facility and yield up the Parking Spaces free of all vehicles in the same condition as at the commencement of the term, reasonable wear and tear excepted. Any vehicles not so removed may be towed and stored at Tenant's expense, and if not redeemed by Tenant or the owner thereof within fourteen (14) days, shall be deemed abandoned and may be disposed of by Landlord in such manner as Landlord shall determine. Tenant shall further indemnify Landlord against all loss, cost, damage and expense resulting from Tenant's failure or delay in surrendering the Parking Spaces as above provided.

SECTION 4. ASSUMPTION OF RISK AND INDEMNIFICATION

4.1 Tenant's Property. All of the vehicles, the contents thereof, and any other items of whatever kind or nature placed by Tenant in the Parking Facility shall be at the sole risk and hazard of Tenant: If the whole or any part of such personal property shall be lost, destroyed or damaged by fire, water, (including, without limitation, leaks from pipes or the Parking Facility structure, groundwater, or flooding from any other source) or other casualty, by theft or from any other cause, no part of such loss or damage is to be charged to or borne by Landlord unless the same is caused by the willful misconduct of Landlord, or Landlord's agents, servants or employees. Tenant acknowledges and agrees that Tenant or the owners of the vehicles parked in the Parking Facility shall be solely responsible for insuring said vehicles.

4.2 Indemnification. Tenant shall save Landlord harmless, and shall exonerate and indemnify Landlord from and against (a) any and all claims, liabilities, or penalties asserted by or on behalf of any person, firm, corporation or public authority on account of injury, death, damage or loss to person or property in or upon any portion of the Parking Facility and (b) any loss, cost, damage, liability or expense incurred by Landlord, to the extent (a) or (b) arises out of the use of the Parking Facility or is based upon anything whatsoever done in the Parking Facility by Tenant or by any person

claiming by, through or under Tenant (including, without limitation, all of Tenant's customers, employees, servants and invitees), except if the same is caused by the willful misconduct of Landlord, or Landlord's agents, servants or employees. In respect of all of the

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foregoing, Tenant shall indemnify Landlord from and against all costs, expenses (including reasonable attorneys' fees), and liabilities incurred in connection with any such claim, and any action or proceeding brought thereon; and, in case of any action or proceeding brought against Landlord by reason of any such claim, Tenant shall resist or defend such action or proceeding, at Tenant's expense, and employ counsel therefor reasonably satisfactory to Landlord.

SECTION 5. LIMITATION UPON LIABILITY

Tenant, its successors and assigns, shall not assert nor seek to enforce any claim for breach of lease of Parking Spaces against any of Landlord's assets other than Landlord's interest in the Parking Facility, and Tenant agrees to look solely to such interest for the satisfaction of any liability or claim against Landlord for lease of Parking Spaces, it being specifically agreed that in no event whatsoever shall Landlord ever be personally liable for any such liability. Tenant hereby agrees, that no trustee, officer, director, general or limited partner, member, shareholder, beneficiary, employee or agent (including any person or entity from time to time engaged to supervise and/or manage the operation of Landlord) of Landlord shall be held to any liability, joint or severally, for any debt, claim, demand judgment, liability or obligation of any kind (in tort, contract or otherwise) of, against or with respect to Landlord or arising out of any action taken or omitted for or on behalf of Landlord-. In no event shall Landlord ever be liable to Tenant for any loss of business or any indirect, special or consequential damages suffered by Tenant from whatever cause. In the event that Landlord or any of Landlord's successors transfer title to the property of which the Parking Facility is a part, Landlord (and in case of any subsequent transfers or conveyances, the then grantor) shall be concurrently freed and relieved from and after the date of such transfer or conveyance, without any further instrument or agreement, of all liability with respect to the performance of any covenants or obligations on Landlord's part to be performed hereunder, it being intended hereby that the covenants and obligations contained herein which Landlord agrees to perform shall, subject as aforesaid, be binding on Landlord and Landlord's successors and assigns only during and in respect of said parties' respective periods of ownership of such property.

SECTION 6. PARKING FACILITY RULES

Tenant shall be bound by and shall observe any Parking Facility Rules established by Landlord, current and future, to the extent same are applicable to the Parking Spaces and Tenant's use thereof. Violation of the operating procedures for monthly parking may result in immediate termination of parking privileges.

**HARRY OSTERMAN 48TH WARD
CHAIRMAN OF THE COMMITTEE ON HOUSING AND REAL ESTATE**

(SO2021-5293)

Chicago City Council, December 15, 2021

TO THE PRESIDENT AND MEMBERS OF CITY COUNCIL:

Your Committee on Housing and Real Estate, having under consideration an ordinance introduced by the Department of Assets, Information and Services (which was referred on November 17, 2021):

Lease agreement with Hastings Center Office LLC for use of office space at 1340 S Damen Ave

begs leave to report and recommend that Your Honorable Body, PASS the proposed communication transmitted herewith.

This recommendation was concurred in by the same roll call as was used to determine quorum in the Committee on Housing and Real Estate on December 2, 2021.

Harry Osterman, Chairman Committee on Housing and Real Estate

Respectfully submitted,

Approved Approved