

11/25/2014

153-O-14

AN ORDINANCE

**Authorizing the City Manager to Negotiate and Execute
a Commercial Lease with Christopher Casas for lease of City-Owned
Real Property Located at 633 Howard Street**

WHEREAS, the City of Evanston owns certain real property located at 633 Howard Street, Evanston, Illinois 60201, which is improved with a single story commercial building and more fully described on Exhibit 1 (the "Property") and formally known and used as the Evanston Police Department Outpost; and

WHEREAS, the City Council has determined that it is in the best interests of the City of Evanston to negotiate and execute a five (5)-year commercial lease agreement (the "Lease Agreement") by and between the City, as Landlord, and Christopher Casas, as the Tenant, for the operation of a coffee roasting and café business,

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF
THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS, THAT:**

SECTION 1: The foregoing recitals are hereby found as fact and incorporated herein by reference.

SECTION 2: Pursuant to Subsection 1-17-4-1 of the Evanston City Code of 2012, as amended (the "City Code"), the City Manager is hereby authorized and directed to negotiate and execute, and the City Clerk is hereby authorized and directed to attest, on behalf of the City of Evanston, the Lease Agreement for the Property, by and between the City of Evanston, as landlord, and Christopher Casas, as tenant. The

Lease Agreement shall be in substantial conformity with the Lease Agreement attached hereto as Exhibit "2" and incorporated herein by reference.

SECTION 3: If any provision of this ordinance or application thereof to any person or circumstance is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this ordinance is severable.

SECTION 4: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 5: The findings and recitals contained herein are declared to be prima facie evidence of the law of the City and shall be received in evidence as provided by the Illinois Compiled Statutes and the courts of the State of Illinois.

SECTION 6: This ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

Ayes: 8

Nays: 1


Introduced: December 8, 2014

Approved:

Adopted: December 8, 2014

December 10, 2014


Elizabeth B. Tisdahl, Mayor

Attest:

Rodney Greene, City Clerk

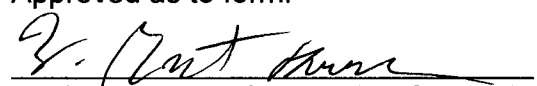
Approved as to form:

W. Grant Farrar, Corporation Counsel

EXHIBIT 1

LEGAL DESCRIPTION

LOT 5 (EXCEPT THE EAST .62 FEET THEREOF) IN BLOCK 1 IN NILES HOWARD TERMINAL ADDITION, A SUBDIVISION OF THE SOUTH 6.25 CHAINS (412.5 FEET) OF THAT PART OF THE NORTHEAST 1/4 OF SECTION 3 TOWNSHIP 41 NORTH, RANGE 14, LYING WEST OF THE RIGHT OF WAY OF THE CHICAGO AND NORTHWESTERN RAILROAD, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, COMMONLY KNOWN AS 633 HOWARD STREET, EVANSTON, ILLINOIS.

Common Address: 633 HOWARD STREET, EVANSTON, ILLINOIS 60202

PIN: 11-30-209-023-0000

EXHIBIT 2
LEASE AGREEMENT

**LEASE AGREEMENT FOR THE PREMISES LOCATED AT 633 HOWARD STREET,
EVANSTON, ILLINOIS, BY AND BETWEEN**

CITY OF EVANSTON, LANDLORD

AND

CHRISTOPHER CASAS, TENANT

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This Lease Agreement (the "**Agreement**" or "**Lease**") with an effective date of _____, 2014 and shall be the last date of execution of the Agreement (the "**Effective Date**") by and between **The City of Evanston**, an Illinois home rule municipality and owner of subject Property ("**Landlord**"), whose main business office is located at 2100 Ridge Avenue, Evanston, Cook County, Illinois, "**Landlord**", and Christopher Casas, an individual ("**Tenant**"). Landlord and Tenant may be referred to collectively as the "**Parties**".

SECTION 1. DESCRIPTION OF PREMISES

Landlord leases to Tenant the commercial space located at 633 Howard Street, Evanston, Illinois 60202 (the "**Premises**") in the building and improvements (the "**Building**") located at the aforementioned address. The Tenant's proposed improvements to the Premises are attached as Exhibit A. At the conclusion of the Lease term, the Tenant shall restore the Premises and cannot remove any permanent fixtures that will cause structural damage to remove.

SECTION 2. TERM AND LEASE TO OWN OPTION

A. TERM: The initial term of this Agreement will be for five years, January 1, 2015 – December 31, 2020 (the "**Term**"). Tenant shall have the option, if not at the time in default, to renew this Lease for an additional five (5) year term (the "**Renewal Term**"). The options shall be exercised automatically, unless Tenant delivers to Landlord written notice of its election not to renew the then current term of this Lease as provided herein on or before one hundred twenty (120) days prior to the expiration of the then current term.

B. OPTION: Tenant initially is only a Tenant of the Premises which is owned and managed by Landlord. The Landlord owns the Property, on which the Premises is located. As such, Tenant's monthly payments are lease and rental payments. However, under the Landlord's terms of this Agreement, the Tenant has an option to purchase the Property so long as the Tenant is occupying and leasing the Property and is otherwise in compliance with this Lease agreement after the end of the fourth year (end of 48th month) (the "**Option**"). Tenant must submit written notification to Landlord that it intends to exercise the Option within 90 days of expiration of the fourth year, thus notice must be sent on or before the beginning of the 45th month of the Lease. If Tenant elects to NOT exercise the Option prior to the end of the fifth year of this Agreement, the following are applicable: (1) the Landlord is freely able to market, enter into a contract, and sell the Property to another purchaser; (2) Tenant shall remain a Tenant of the Premises for the remainder of the term of the Agreement. If Tenant opts to renew the Lease, it can exercise the Option during the Renewal Term, but the Landlord is able to market and sell the property during the renewal Term to another buyer. Meaning, during the Renewal Term, the Tenant's option is not exclusive to other potential purchasers, however it does have a first right of refusal to purchase the property at the offer amount received by the Landlord or greater. If the Property is sold to another Purchaser other than Tenant during the Renewal Term, the Landlord shall make this Lease subject to the sale and the future Purchaser must take an assignment of the Lease.

1. **PURCHASE PRICE:** The purchase price of this Property will be lesser of \$500,000 (Five Hundred Thousand and no/100 Dollars) or the average value from two appraisals obtained by the City of Evanston (the "**Purchase Price**") at the time that the Tenant elects to exercise the Option. The Purchase Price is non-negotiable after the figure has been arrived at from the aforementioned appraisal calculation.

2. **CASH USED ALONE TO PURCHASE:** The Tenant may notify Landlord that they have the resources to purchase the Property and that the Tenant is exercising the Option prior to the expiration of the Agreement. A closing or transfer of ownership will occur upon the Tenant paying the purchase price and the Parties execution of a purchase and sale contract ("**Property Purchase Agreement**").

3. **RENTAL CREDITS USED TO PURCHASE:** Credit will be given at the time of closing for all rent payments, made to Landlord pursuant to the Lease Agreement.

4. **DELINQUENCIES:** Should the Tenant have incurred delinquencies with Landlord, the Tenant will be required to payoff those delinquencies upon any offer to exercise its Option.

5. **TENANT BREACH:** Should the Tenant cause a material breach this Agreement for any reason other than nonpayment of Rent, at the discretion of Landlord, the Tenant's Option may be denied.

6. **NO OBLIGATION TO PURCHASE THE PROPERTY:** Tenant is under no obligation to purchase the Property and has the right to continue under the terms of this Agreement as Tenant/renter. However, if the Tenant fails to exercise his or her option at the conclusion of this Agreement, the Option to Purchase shall expire.

7. **NO LANDLORD RESPONSIBILITY AFTER PURCHASE:** Upon sale to Tenant pursuant to this Agreement, the Tenant shall become solely responsible for the Property.

SECTION 3. RENT

A. RENT RATE. The Rent structure will be combination of base rent and a percentage of gross sales. The combination of the Base Rent and Percentage Rent will be capped and shall not exceed \$4,000.00 (Four Thousand and no/100 Dollars) per month for the initial Term or the Renewal Term. After 24 months has expired, the lease will convert to a rent rate structure with the following formula:

Months	Base Rent (per month)	% Lease (to be paid semi-annually)
1-24	\$0	\$0

25-36	\$0	10% of gross sales
37-48	\$500	10% of gross sales
49-60	\$1,000	10% of gross sales

B. BASE RENT. Payment of Base Rent shall begin on the 1st day fo the month indicated in the schedule delineated in Section 3[A]. Tenant agrees to pay Landlord or Landlord's agent as rental for the Premises, the monthly installments of Base Rent in accordance with the schedule detailed above. On the 1st day of the 37th month, the Tenant shall pay \$500.00 (Five Hundred and 00/100 Dollars) per month, for the third year (months 37 - 48) of the Lease. The Rent will increase for the final year of the Term, on the 1st day of the 49th month to \$1,000.00 (One Thousand and no/100 Dollars) for the remainder the initial term (months 49 - 60).

C. PERCENTAGE RENT. Tenant shall pay Landlord as Percentage Rent the percentage of gross sales as indicated in the schedule delineated in Section 3[A]. Gross sales shall be reported by Tenant no later than the tenth (10th) day after the end of each month, and a statement thereof submitted to Landlord showing the gross sales for the Tenant at the Property.

1. Gross Sales shall mean and include the sale price of all merchandise sold (including gift and merchandise certificates), charges for services, café products sold, and all other receipts from the business performed by Tenant or any other person, firm or corporation selling merchandise or services in, upon or from any part of the Property, whether for cash or credit, and shall include telephone and electronic orders received and filled at the Property, all deposits not refunded to purchasers and orders taken at the Property although such orders may be filled elsewhere. No deductions shall be allowed for uncollected or uncollectible credit accounts, or charges for bank or other credit cards.

2. Gross sales does not include refunds to customers, the amount of sales, use, retailer's occupation or similar taxes imposed in a specific amount, or percentage of, or determined by, the amount of retail sales made upon the Property, return to shippers, the amount of sales not in the course of ordinary of business of fixtures, machinery, or equipment which Tenant has the right to remove from the property after use in the conduct of Tenant's business at the Property.

3. Tenant shall pay the gross sales on a semi-annual basis, on or before January 15th and July 15th of each year, when applicable.

D. COMMENCEMENT OF RENT EFFECTIVE DATE: The commencement of the 1st month of Rent obligations set forth in Section 3[A] shall be the later of City Council approval of the Lease Agreement or City Council approval of Tenant's Special Use Application for its proposed use at the Property. Under no circumstances shall the Rent Effective Date be later than March 1, 2015.

E. RENEWAL RENT. On 1st day of the 61st month, commencement of the Renewal Term, the Base Rent will be increased to \$1,350 (One Thousand Three Hundred Fifty and no/100 Dollars) for the first (2) two years of the renewal term and \$1,500 (One Thousand Five Hundred and no/100 Dollars) for the final (3) three years of the Renewal Term. In addition to the Base Rent, Tenant will continue to pay 10% percent of gross sales as part of the rent obligations during the Renewal Term.

F. PAYMENTS. All monthly installments of Rent shall be payable in advance on or before the first (1st) day of each successive calendar month during the Term at the office of the Landlord set forth in Section 3[D].

G. LATE PAYMENTS: A penalty of \$50/per day will be assessed against the Tenant for the payments not received by Landlord within five (5) days of the payment due date until such payment is received by Landlord.

H. Any and all Rent **PAYMENTS** under this Lease shall be made payable and transmitted to:

City of Evanston
Attn: Jessica Wingader, Room 4500
2100 Ridge Avenue
Evanston, IL 60201

I. REAL ESTATE TAXES:

1. Real Estate Taxes for Term: In addition to Rent, outlined in Section 3[A] and [B], Tenant shall promptly pay the real estate taxes for the Property as invoiced by Cook County Treasurer during the entire Initial Term and, if applicable, the Renewal Term. The Cook County Treasurer bills real estate taxes one year after the tax year (e.g. 2014 taxes are payable in 2015 in two installments).

2. If any, Tenant will not be responsible for the taxes that pre-dated the Effective Date of this Lease, meaning all real estate taxes accruing prior to the Effective Date are the responsibility of the Landlord.

3. Tenant will change the payee with the Cook County Treasurer within 30 days of the Effective Date. Tenant will provide proof of payment for each and every installment for the Term of this Agreement within ten (10) business days of payment. If Tenant seeks to appeal the real estate taxes with the Cook County Assessor, the Landlord will not object and will submit any necessary consent documents for Tenant in the appeal, but the responsibility to file the appeal rests with the Tenant.

4. Tenant's obligation to pay real estate taxes for the time period provided herein survives the expiration of the Term or termination of the Agreement for any reason. Meaning, if the Tenancy is terminated for any reason, Tenant shall be responsible and shall pay promptly the real estate taxes

accrued during their tenancy and the Landlord will reimburse a prorated portion to Tenant from the date of delivery of the Property to the end of the calendar year. Moreover, Tenant is responsible for the real estate taxes accrued during the tenancy, but payable a year following the expiration or termination of the tenancy.

SECTION 4. MAINTENANCE OF THE PROPERTY AND THE PREMISES

A. MAINTENANCE AND REPAIR RESPONSIBILITIES OF LANDLORD: Tenant accepts the Premises in as-is condition, and acknowledges that the Landlord has made no representations to the condition or has made any repairs to same. The Landlord or Landlord's staff or other representatives have made no representations or assurances that it will alter or remodel the Premises and all renovations will be at Tenant's sole cost and expense. Subject to Section 7, Landlord shall, when necessary, or when required by applicable laws, perform, repair and maintain all of the following: the structural and exterior portions of the Building, including the foundation, demising walls, exterior walls, floor slab, the roof, and common utility lines to the point of connection to the Premises to keep the Building in good, safe, clean order, appearance, condition and repair. The Landlord will deliver possession of the Property free and clear of personal property and equipment from the Evanston Police Department on January 6, 2015.

B. MAINTENANCE AND REPAIR RESPONSIBILITIES OF TENANT:

1. Interior non-structural Premises maintenance and all fixtures and property within the Premises including utility, HVAC or fire/life safety facilities and systems and other than any items Landlord is required to maintain pursuant to Section 4[A].

2. All refuse from Premises to be placed in appropriate containers and Tenant cannot dispose of construction building materials in the standard refuse containers and must arrange for special pick-ups and containers for said materials. A refuse container for regular refuse will be located at the Premises in reasonable proximity to the Premises. Tenant will contract to have trash hauled from such container with reasonable frequency. Tenant is responsible for snow, ice removal and leaf removal and general upkeep of the exterior of the property.

3. The Tenant will at all times maintain all of the Premises in a clean, neat and orderly condition. The Tenant will not use the Premises in a manner that will violate or make void or inoperative any policy of insurance held by the Landlord. The Tenant shall pay the Landlord for overtime wages for staff and for any other related expenses incurred in the event that repairs, alterations or other work in the Premises required or permitted hereunder are not made during ordinary Business Hours at the Tenant's request.

4. Tenant will keep the interior non-structural portions of the Premises, including all interior, non-structural walls, surfaces and appurtenances (other than systems and any other items that Landlord is required to maintain pursuant to Section 4[A]), in good repair. Tenant shall be responsible for repairs,

damages and losses for damages sustained outside the Premises attributable to Tenant's negligence or intentional misconduct. All such damage must be reported in writing to the Director of Public Work or her designee, by the next City of Evanston business day, after discovery of such damage by Tenant.

5. Tenant shall yield the Premises back to Landlord, upon the termination of this Agreement, whether such termination shall occur by expiration of the term, or in any other manner whatsoever, in the same condition of cleanliness and repair as at the date of the execution hereof, loss by fire and reasonable wear and tear excepted. Except to the extent any of the following is Landlord's obligation pursuant to Section 4[A], Tenant shall make all necessary repairs and renewals upon Premises and replace broken fixtures with material of the same size and quality as that broken. If, however, the Premises shall not thus be kept in good repair and in a clean condition by Tenant, as aforesaid, Landlord may enter the same, or by Landlord's agents, servants or employees, without such entering causing or constituting a termination of this Agreement or an interference with the possession of the Premises by Tenant, and Landlord may replace the same in the same condition of repair and cleanliness as existed at the date of execution hereof, and Tenant agrees to pay Landlord, in addition to the rent hereby reserved, the expenses of Landlord in thus replacing the Premises in that condition. Tenant shall not cause or permit any waste, misuse or neglect of the water, or of the water, gas or electric fixtures.

6. Tenant will also be in compliance with all laws and regulations during the entire term of this Agreement, except for repairs required of the Landlord to be made and damage occasioned by fire, hurricane or other causes as provided for in this Agreement.

C. TENANT IMPROVEMENT: Tenant shall construct all renovations pursuant to build out plans agreed to by Landlord and Tenant. Once the build out plans are agreed upon, they will be attached as Exhibit A to this lease and incorporated herein. The parties agree that certain improvements to Premises are necessary to bring the Premises to a "Vanilla Box" standard, including updating the electrical system, plumbing and installation of large rear doorway, reconfiguration of HVAC system and additional ductwork, and other general rehabilitation work agreed between the parties to change the use to a coffee roasting and café shop use.

1. Tenant projects that the total build out renovation expenses will be approximately \$36,000 (Thirty-Six Thousand and no/100 Dollars). Landlord will reimburse the Tenant for a portion of the Tenant Improvements, which account for the vanilla box improvements (the "Tenant Improvements").

2. Landlord will reimburse a portion of the tenant improvements to achieve the Vanilla Box, the total reimbursement to Tenant over the initial Lease Term in amount not to exceed \$15,000 (Fifteen Thousand and no/100 Dollars) (the "Total Improvement Rebate").

3. At the end of the Term, improvements and fixtures installed into the Property with the Total Improvement Rebate funds are the property of the City of Evanston with no right of reimbursement to the Tenant. In addition, any fixtures and equipment installed by the Tenant at its own cost and expense, which are permanently affixed to the property, and would cause structural damage to the Property to remove will also remain the property of the City of Evanston.

4. Reimbursement of Tenant Improvement:

a. Reimbursement payment shall NOT be issued until: (a) City Council has approved the Agreement; (b) the Agreement is executed; (c) Project work is complete and Final Certificate of Occupancy is issued to the Tenant by the Building & Inspection Services Division of the City of Evanston; (d) Tenant provides proof of payment of all invoices and final lien waivers have been issued by all contractors for the work to which Tenant is seeking reimbursement.

b. The Director or his designee will not issue the reimbursement to Tenant if there is any violation of any law, ordinance, code, regulation, or Agreement term. Lastly, Tenant must be current with all City of Evanston accounts prior to any reimbursement.

c. The reimbursement will be paid in a lump sum either by check or wire transfer after the conditions set forth in this Section 4[C][4] are satisfied.

5. Tenant Improvement Allowable Expenses: The Tenant Improvement funds shall be used to pay for costs directly related to the renovation of the Premises, including electrical, plumbing, HVAC, and other related expenses for fixtures, materials, and equipment necessary to renovate the Premises for Code compliance. The Scope of Work attached provides a detailed cost estimate for the construction of the improvements at the Subject Property, to which Borrower will fund in part with the Tenant Improvement funds. Any and all fixtures, equipment, and other materials will remain in the Subject Property for the duration of this agreement. The Lender or its representative shall be afforded the right of inspection of such equipment, fixtures, and other materials prior to issuance of the Final Certificate of Occupancy.

SECTION 5. USE OF PREMISES

A. PURPOSES: Tenant will use the Premises to operate a coffee roasting business and café services, including service of pasteries, coffee/tea and juices, and incidental associated uses for the performance of the listed uses, and no part of the Premises will be used for any other purpose without the prior written consent of Landlord (the “Permitted Use”).

B. HOURS OF OPERATION AND LANDLORD ACCESS:

1. Tenant’s staff, agents, employees and contractors may access the Premises twenty-four hours a day, seven days a week, but shall not cause any unnecessary disruption to the neighborhood during the non-business hours and shall abide by all noise restrictions contained within the City Code. Tenant anticipates its hours of operation will be 7 a.m. to 2 p.m. and the Premises will be used outside of these hours as a meeting space and other low impact uses on the neighborhood, but this is subject to change and does not need a lease amendment as long as Tenant is in conformance with the City Code restrictions.

2. The Landlord shall have the right to retain a set of keys to the Premises, and Tenant shall not change any locks for the Premises without providing a copy to the Landlord. The Landlord agents shall have the right to enter upon the Premises with 24 hours prior written notice and at times reasonably calculated not to interfere with the operation of Tenant’s business on the Premises (except in the case of an emergency, in which case entry may be made without notice) to determine Tenant’s compliance with this Lease or in connection with the following: (a) construction in or about the Premises; or (b) completing any work, repairs, alterations, or improvements in or about the Premises that are required or permitted to be made hereunder by Landlord.

3. If Tenant neglects or refuses to make repairs to or to maintain the exterior of the Premises as required under this Lease, or to fulfill any other obligation (or any part thereof) as required under this Lease, then in addition to all other rights and remedies of Landlord as a result of such failure, Landlord and/or its agents shall have the right, upon giving Tenant not less than fifteen (15) days’ (or such longer period of time as is reasonably necessary to cure such failure, provided that Tenant promptly commences and diligently pursues such cure) prior written notice of its election to do so, except in the event of an emergency (in which case only such notice as is practical shall be required), to make the repairs or perform the maintenance or other obligations on behalf of and for the account of Tenant. The commercially reasonable cost of the work so done or obligations performed by Landlord or its agents, shall be paid for by Tenant within fifteen (15) days after Tenant’s receipt of a bill therefor. Nothing herein shall imply any duty on the part of Landlord to do any work which Landlord is not specifically and expressly required to perform under this Lease or which, under any provisions of this Lease, Tenant is required to perform, and the performance of such work by Landlord shall not constitute a waiver of Tenant’s default. Landlord shall have no liability to Tenant for any loss or damage which may result to its stock or business by reason of such repairs, replacements or action, except for the gross negligence of Landlord, its agents, representatives or

employees. Tenant will not cease any Rent payments while repairs, alterations, improvements, or additions are being made, by reason of loss or interruption of business of the Tenant, or otherwise, provided Landlord shall complete such work as quickly as reasonably possible. Notwithstanding the foregoing, if a portion of the Premises is unusable for the purpose contemplated hereunder for a period of greater than 5 days (including, without limitation, as a result of a casualty or a condemnation or the repairs required in connection therewith), the fixed minimum monthly rental will be equitably reduced in the proportion that the unusable part of the Premises bears to the whole. The determination of the unusable space shall be reasonably determined by the Landlord based on square footage. Notwithstanding anything to the contrary contained herein, Landlord shall not have the right to alter the Premises except as expressly required or permitted hereunder. Notwithstanding the foregoing, if the repairs, alterations, improvements, or additions are at Tenant's request or if the repairs are necessitated by Tenant's actions, then the Tenant may not cease any rent for any period, unless the Premises are unusable as a result of the negligence or intentional misconduct of Landlord or its agents, employees or contractors. If the Tenant shall not be personally present to open and permit an entry into Premises, at any time, when for any reason an entry therein shall be necessary or permissible, the Landlord or the Lessor's agents may enter the same by using the key, or may forcibly enter the same, without rendering the Landlord or such agents liable therefore (if during such entry the Landlord or the Lessor's agents shall accord reasonable care to Tenant's property), and without in any manner affecting the obligations and covenants of this Lease. If the Tenant does not exercise any of the options to renew the Lease and/or will be vacating the Premises at or prior to the end of the Term, no more than thirty (30) days prior to the end of the then current term, Tenant will also allow Landlord to have placed upon the Premises at all times notices of "For Sale" and/or "For Rent" and Tenant will not interfere with the same.

4. Nothing herein contained, however, shall be deemed or construed to impose upon the Landlord any obligations, responsibility or liability whatsoever, for the care, supervision or repair of the Premises or any part thereof, other than as herein provided. The Landlord shall not be liable to the Tenant for any expense, injury, loss or damage resulting from work done by persons other than the Landlord in or upon, or the use of, any adjacent or nearby building, land, street, or alley.

C. STORAGE OF INFLAMMABLE MATERIALS: Tenant agrees that it will not permit to be kept at the Premises any gasoline, distillate or other petroleum product, or other substance of an explosive or inflammable nature as may endanger any part of the premises without the written consent of the Landlord, provided that Tenant can maintain customary cleaning products in the Premises and the alcohol for the business operation.

D. USE IMPAIRING STRUCTURAL STRENGTH: The Tenant will not permit the Premises to be used in any manner that will impair the structural strength of the Premises, or permit the installment of any machinery or apparatus the weight or vibration of which may tend to impair the building's foundations or structural strength.

E. GARBAGE DISPOSAL: The Tenant will not incinerate any garbage or debris in or about the Premises, and will cause all containers, rubbish, garbage and debris stored in the Premises to be placed in the refuse container supplied by Landlord for the Premises before accumulation of any substantial quantity.

F. PUBLIC REGULATIONS: In the conduct of its business on the Premises, Tenant will observe and comply with all laws, ordinances and regulations of public authorities. Tenant acknowledges that the Premises is owned by the City of Evanston and therefore no smoking will be permitted at the Premises.

G. OTHER MISUSE: Tenant will not permit any unlawful or immoral practice with or without its knowledge or consent, to be committed or carried on in the Premises by Tenant or any other person. Tenant will not use or allow the use of the Premises for any purpose whatsoever that will injure the reputation of the Premises or of the building of which they are a part.

SECTION 6. SIGNS

Tenant may apply for signage (temporary and permanent signage) for the exterior and interior of the Premises, at its own expense, in order to conduct the business of Tenant. Tenant acknowledges that there are limitations from the City of Evanston Municipal Code of 2012, as amended, and the Code governs the application process and the details regarding size, type, and number of signs and Tenant agrees to be bound by such ordinances. Landlord cannot make representations in a lease agreement that Tenant shall be entitled additional signage, a certain number of signs and/or dimensions of proposed signage, because the Tenant must make an application to the Sign Review Board, as provided by Code, but Landlord will not withhold its consent to a reasonably sized sign over the new entrance to the Premises.

SECTION 7. DEFECTS; DEFECTIVE CONDITION; WIND; ACTS OF THIRD PERSONS

Except as set forth herein, as provided by Illinois law and except to the extent arising from the negligence or intentional misconduct of Landlord or its agents, employees or contractors, or from the breach of this Lease by Landlord, Landlord will not be liable to Tenant for any damage or injury to Tenant or Tenant's property occasioned by the failure of Landlord to keep the Premises in repair, and shall not be liable for any injury done or occasioned by wind or by or from any defect of plumbing, electric wiring or of insulation thereof, gas pipes, water pipes or steam pipes, or from broken stairs, porches, railings or walks, or from the backing up of any sewer pipe or down-spout or from the bursting, leaking or running of any tank, tub, washstand, water closet or waste pipe, drain, or any other pipe or tank in, upon or about the Premises or the building of which they are a part nor from the escape of steam or hot water from any radiator, nor for any such damage or injury occasioned by water, snow or ice being upon or coming through the roof, trap door, stairs, walks or any other place upon or near the Premises, or otherwise, nor for any such damage or injury done or occasioned by the falling of any fixture, plaster, or stucco, nor for any damage or injury arising from any act, omission or negligence or co-tenants or of other persons, occupants of the same building or of

adjoining or contiguous buildings or of owners of adjacent or contiguous property, or of Landlord's agents or Landlord, all claims for any such damage or injury being hereby expressly waived by Tenant. Notwithstanding the foregoing, if any portion of the Premises unusable for the purpose contemplated hereunder for a period of greater than two (2) days, the fixed minimum monthly rental will be equitably reduced in the proportion that the unusable part of the Premises bears to the whole. The determination of the unusable space shall be reasonably determined by the Landlord based on square footage.

SECTION 8. CASUALTY DAMAGE; REPAIRS; ABATEMENT OF RENT

A. USE OF PARTIALLY DAMAGED PREMISES: On damage or destruction by a casualty to the Premises, Tenant will continue to use them for the operation of its business to the extent practicable

B. RIGHT TO TERMINATE ON DESTRUCTION OF TWO-THIRDS OF PREMISES: Either Party will have the right to terminate this Agreement if, the Premises is damaged by a casualty to an extent exceeding two-thirds of the reconstruction cost of the Premises as a whole. If such damage occurs, this termination will be affected by written notice to the other Party, delivered within 90 days of the damage.

C. REPAIRS BY LANDLORD: If the Premises are damaged by a casualty before or after the start of the Agreement, then Landlord will immediately, on receipt of insurance proceeds paid in connection with casualty damage, but no later than sixty days after damage has occurred, proceed to repair the Premises. Repairs will include any improvements made by Landlord or by Tenant with Landlord's consent, on the same plan and design as existed immediately before the damage occurred, subject to those delays reasonably attributable to governmental restrictions or failure to obtain materials, labor or other causes, whether similar or dissimilar, beyond the control of Landlord. Materials used in repair will be as nearly like original materials as reasonably procured in regular channels of supply. Wherever cause beyond the power of the party affected causes delay, the period of delay will be added to the period in this lease for completion of the work, reconstruction or replacement.

D. REDUCTION OF RENT DURING REPAIRS: If a portion of the Premises is unusable for the purpose contemplated hereunder for a period of greater than 5 days, the fixed minimum monthly rental will be equitably reduced in the proportion that the unusable part of the Premises bears to the whole. The determination of the unusable space shall be reasonably determined by the Landlord based on square footage. No rent will be payable while the Premises is wholly unoccupied pending the repair of casualty damage.

E. FIRE AND CASUALTY: If the Premises are entirely destroyed by fire or another act of God, and Landlord elects to not rebuild the Premises, then this Agreement shall be terminated effective as of the date of the casualty.

SECTION 9. UTILITIES

Tenant agrees to pay before delinquency all utility charges for gas, water, sewer, phone, internet, heat, electricity, and waste disposal and other similar charges incurred by Tenant and serving the Premises during the Term of this Agreement. Any additional lines or upgrades in service for electrical, gas or other utility lines that are necessary to operate Tenant's use the Premises will be at the sole cost and expense of Tenant. Notwithstanding the foregoing, Tenant shall not be responsible for the water bill until the final certificate of occupancy is issued.

SECTION 10. INSURANCE

A. INSURANCE COMPANIES: It is agreed that any policies of insurance to be maintained by the respective parties will be obtained from good and solvent insurance companies. Only companies with an "A" Policyholder's Rating with the Alfred Best Company will be acceptable.

B. TENANT TO OBTAIN LIABILITY INSURANCE: Tenant agrees that it will, at its expense, maintain a policy of insurance, written by responsible insurance carriers, approved by Landlord that will insure Tenant against liability for injury to or death of persons or damage to property occurring about the Premises. Landlord will be named as an additional insured. The liability under insurance will be at least \$1 million for any one person injured or killed or any one occurrence, \$1 million general aggregate coverage for any one accident, and \$ 100,000.00 property damage. Tenant will obtain an endorsement and Certificate of Insurance naming the Landlord as an additional insured from Tenant's carrier (during the term of the Lease, including Premises Improvement construction) and all contractors during the construction of the Premises Improvements and any other renovation or construction at the Premises.

C. TENANT TO OBTAIN WORKER'S COMPENSATION INSURANCE: Tenant agrees to maintain employees' Worker's Compensation insurance required under Illinois law.

D. TENANT TO OBTAIN INSURANCE ON FIXTURES AND EQUIPMENT: The Tenant agrees to maintain on all trade fixtures and personal property in the Premises, a policy of insurance approved by the Landlord of at least 90% of the insurable replacement value of all trade fixtures and personal property.

E. LANDLORD TO OBTAIN FIRE INSURANCE ON PREMISES: Landlord agrees to maintain during this Agreement, a policy of property insurance covering any peril generally included in the classification ISO Causes of Loss – Special Form (a "Special Form Policy") and covering at least 80% of the full replacement cost of the Premises (or Landlord may self-insure for such coverage). If permitted without additional charge, Landlord will cause to be endorsed on its property insurance, and any extended coverage policy or policies, the waiver of right of subrogation. Landlord hereby agrees to waive any claims against Tenant and its agents and employees to the extent the same could be covered by a Special Form Policy, regardless if the same is maintained by the Landlord.

F. TENANT'S WAIVER OF CASUALTY INSURANCE PROCEEDS: If the Premises are damaged by fire or other casualty insured against, Tenant agrees to claim no interest in any insurance settlement arising out of any loss where premiums are paid by Landlord, or where Landlord is named as sole beneficiary, and that it will sign all documents required by Landlord or the insurance company necessary in connection with the settlement of any loss.

G. CONTROL OF INSURANCE PROCEEDS TO AVOID TAXABLE GAIN: If the Premises, including any improvements, were to be damaged in any manner, and the receipt of any insurance proceeds or other reimbursement for such damage would result in the realization of taxable gain for federal or state purposes, then the party to whom the gain would be taxed will have the right to take all action respecting proceeds or reimbursements necessary to enable party to comply with any regulations of the appropriate taxing authorities, so that the gain will not be recognized for tax purposes. Nothing here will be construed to entitle Landlord to delay any repairs to any part of the improvements in the event of damage.

H. TENANT'S FAILURE TO INSURE: Should Tenant fail to keep in effect and pay for insurance as required by this section and then fail to cure such failure within ten (10) days after written notice from Landlord, the Landlord may terminate this Lease immediately.

SECTION 11. SUBLETTING; ASSIGNMENT

The Tenant shall not be allowed to sublet the Premises or assign this Agreement to another tenant without the prior written consent of the Landlord.

SECTION 12. SURRENDER OF PREMISES; HOLDING OVER

Tenant will, at the termination of this Lease, leave the Premises in as good condition as they are in at the time of entry by Tenant, except for reasonable use and wear, acts of God, or damage by casualty beyond the control of Tenant. On vacating, Tenant will leave the Premises clear of all rubbish and debris. If Tenant retains possession of the Premises or any part thereof after the termination of the term by lapse of time or otherwise, then Landlord may at its option within thirty days after termination of the term serve written notice upon Tenant that such holding over constitutes the creation of a month to month tenancy, upon the terms of this Agreement. Tenant shall also pay to Landlord all damages sustained by Landlord resulting from retention of possession by Tenant. The provisions of this paragraph shall not constitute a waiver by Landlord of any right of re-entry as hereinafter set forth; nor shall receipt of any rent or any other act in apparent affirmation of tenancy operate as a waiver of the right to terminate this Agreement for a breach of any of the covenants herein.

SECTION 13. HAZARDOUS MATERIALS

A. DEFINITION. For purposes of this Article, "Hazardous Materials" means any matter giving rise to liability under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., the Comprehensive Environmental Response,

Compensation and Liability Act, U.S.C. Section 9601 et seq. (including the so-called "Superfund" amendments thereto), any other applicable federal, state or local statute, law, ordinance, rule or regulation governing or pertaining to any hazardous materials, hazardous wastes, chemicals or other materials, including, without limitation, asbestos, polychlorinated biphenyls, radon, petroleum and any derivative thereof or any common law theory based on nuisance or strict liability.

B. EXPOSURE. Tenant, its employees, contractors, agents or invitees (while any such invitee is upon the Premises), shall not use, generate, release, manufacture, refine, produce, process, store, or dispose of any Hazardous Materials on, under or about the Premises, or transport to or from the Premises any Hazardous Materials, with the exception that construction materials (other than asbestos or polychlorinated biphenyls), office equipment, restaurant supplies, cleaning solutions and other maintenance materials that are or contain Hazardous Materials may be used, handled or stored on, under or about the Premises, provided such are in de minimis amounts only and are incidental to and reasonably necessary for the build out, operation and maintenance of the Premises for the Permitted Use hereunder and are at all times in compliance with all environmental statutes and all other applicable governmental requirements.

C. TENANT INDEMNIFICATION. Tenant shall indemnify, defend and hold Landlord harmless from and against all liabilities, costs, damages and expenses which Landlord may incur (including, without limitation, reasonable attorneys' fees and disbursements) as a result of the presence of Hazardous Materials introduced or installed on, under or about the Premises by Tenant or Tenant's officers, employees, agents, contractors or other invitees or as a result of the presence of Hazardous Materials on, under or about the remainder of Landlord's Parcel.

D. LANDLORD INDEMNIFICATION. Landlord shall indemnify, defend and hold Tenant harmless from and against all liabilities, costs, damages and expenses which Tenant may incur as a result of the presence of Hazardous Materials introduced or installed on, under or about the Premises by Landlord or Landlord's officers, employees, agents, contractors or other invitees gross negligent or willful acts.

SECTION 14. INDEMNIFICATION AND LIENS

A. LIENS AND ENCUMBRANCES: The Tenant will hold the Landlord harmless from all claims, liens, claims of lien, demands, charges, encumbrances or litigation arising out of any work or activity of Tenant on the Premises. Tenant will, within sixty (60) days after filing of any lien, fully pay and satisfy the lien and reimburse Landlord for all resulting loss and expense, including a reasonable attorney's fees. Provided, however, in the event that Tenant contests any lien so filed in good faith and pursues an active defense of said lien, Tenant shall not be in default of this paragraph. However, in the event of any final judgment against Tenant regarding such lien, Tenant agrees to pay such judgment and satisfy such lien within 60 days of the entry of any such judgment.

B. DISCHARGE OF LIEN: If Tenant fails to fully discharge any claim, lien, claim of lien, demand, charge, encumbrance, or litigation, or should proceedings be instituted

for the foreclosure of any lien or encumbrance, and if judgment is rendered against Tenant either by a court of competent jurisdiction or by arbitration and Tenant still persists in non-payment of the same within the 60 days set forth above, Landlord will have the right at any time after expiration of the 60-day period, to pay the lien or encumbrance. All amounts so paid will be repaid by the Tenant on demand, together with interest at the rate of 10% per year from the date of payment and shall be considered additional rent owed to Landlord by Tenant.

C. INDEMNIFICATION OF LANDLORD: Except as otherwise provided in this Agreement, and except to the extent caused by the negligence or willful misconduct of Landlord, or its agents, employees or contractors, or by the breach of this Lease by Landlord, Tenant shall protect, defend, indemnify and save Landlord and its officers, directors, agents, attorneys, and employees harmless from and against any and all obligations, liabilities, costs, damages, claims and expenses of whatever nature arising from (i) any matter, condition or thing that occurs in the Premises, which is not the result of Landlord's negligence or willful misconduct, (ii) any negligence or willful misconduct of Tenant, or its agents, employees or contractors; or (iii) Landlord's breach occasioned wholly or in part by any act, omission of Tenant, its agents, employees, contractors or servants. The provisions of this Section shall survive the expiration or earlier termination of this Lease only with respect to any damage, injury or death occurring before such expiration or earlier termination.

D. INDEMNIFICATION OF TENANT. Except as otherwise provided in this Agreement, and except to the extent caused by the negligence or willful misconduct of Tenant, or its agents, employees or contractors, or by the breach of this Lease by Tenant, Landlord shall protect, defend, indemnify and save Tenant and its officers, directors, agents, attorneys, and employees harmless from and against any and all obligations, liabilities, costs, damages, claims and expenses of whatever nature arising from Landlord's willful acts occasioned wholly or in part by any act, omission or of Landlord, its agents, employees, contractors or servants; The provisions of this Section shall survive the expiration or earlier termination of this Lease only with respect to any damage, injury or death occurring before such expiration or earlier termination.

SECTION 15. DEFAULT AND REMEDIES

A. EVENT OF DEFAULT: Any one of the following events shall be deemed to be an event of default hereunder by Tenant subject to Tenant's right to cure:

1. Tenant shall fail to pay any item of Base Rent at the time and place when and where due and does not cure such failure within five (5) business days after notice to Tenant of such failure;
2. Tenant shall fail to maintain the insurance coverage as set forth herein and does not cure such failure within 10 days after receipt of notice from Landlord;
3. Tenant shall fail to comply with any term, provision, condition or covenant of this Lease, other than the payment of rent, and shall not cure, or

commence the good faith cure of any such failure, within fifteen (15) days after written notice to the Tenant of such failure, and in the event the Tenant cannot reasonably cure with the aforementioned fifteen (15) day period, then so long as Tenant commences good faith efforts to cure within said fifteen day period and proceeds diligently to cure, Tenant cures within a reasonable amount of time; or

4. Tenant shall make a general assignment the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due or shall file a petition in bankruptcy.

B. OCCURRENCE OF AN EVENT: Upon the occurrence of any event of default, after written notice from Landlord and upon expiration of any applicable cure period, Landlord shall have the option to pursue any one or more of the following remedies subject to the laws of the State of Illinois and the Tenant's right to cure:

1. Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, but if Tenant fails to do so, Landlord may, without further notice and without prejudice to any other remedy Landlord may have for possession or arrearages in rent, or damages for breach of contract, enter upon the Premises and expel or remove and with or without notice of such election or any notice or demand whatsoever, this Agreement shall thereupon terminate and upon the termination of Tenant's right of possession, as aforesaid, whether this Agreement be terminated or not, Tenant agrees to surrender possession of the Premises immediately, without the receipt of any demand for rent, notice to quit or demand for possession of the Premises whatsoever and hereby grants to Landlord full and free license to enter into and upon the Premises or any part thereof, to take possession thereof with or (to the extent permitted by law) without process of law, and to expel and to remove Tenant or any other person who may be occupying the Premises or any part thereof, and Landlord may use such force in and about expelling and removing Tenant and other persons as may reasonably be necessary, and Landlord may re-possess itself of the Premises, but such entry of the Premises shall not constitute a trespass or forcible entry or detainer, nor shall it cause a forfeiture of rents due by virtue thereof, nor a waiver of any covenant, agreement or promise in this Agreement contained to be performed by Tenant. Tenant agrees to indemnify Landlord for all loss and damage which Landlord may suffer by reason of such lease termination, whether through inability to re-let the Premises, or through decrease in Rent, or otherwise.

2. Landlord may recover from Tenant upon demand all of Landlord's costs, charges and expenses, including the fees and costs of counsel, agents and others retained by Landlord which have been incurred by Landlord in enforcing Tenant's obligations hereunder, subject to Landlord prevailing on its claims.

3. Pursuit of any of the foregoing remedies shall not preclude pursuit of any other remedy herein provided or available to Landlord at law or in equity,

or constitute a forfeiture or waiver of any Rent due hereunder or of any damages suffered by Landlord.

C. REPOSSESSION OR RELETTING NOT A TERMINATION; LANDLORD'S RIGHT TO TERMINATE NOT FORFEITED: No repossession, operation or re-letting of the Premises or of fixtures and equipment will be construed as an election by Landlord to terminate this Agreement unless a written notice is given by the Landlord to the Tenant. The Landlord may terminate this Agreement if the Tenant remains in default (beyond any applicable notice and cure period). The acceptance of rent, whether in a single instance or repeatedly, after it falls due, or after knowledge of any breach hereof by Tenant, or the giving or making of any notice or demand, whether according to any statutory provision or not, or any act or series of acts except written waiver, shall not be construed as a waiver of Landlord's rights to act without notice or demand or of any other right hereby given Landlord, or as an election not to proceed under the provisions of this Agreement.

D. TENANT'S OBLIGATION TO PAY DEFICIENCIES: If rentals received by the Landlord from re-letting the Premises under the provisions of this section are insufficient to pay all expenses and amounts due, Tenant will pay any deficiencies to the Landlord on demand and be declared in default for failure to pay.

E. LANDLORD'S RIGHT TO PERFORM TENANT'S DUTIES AT TENANT'S COST: If in Landlord's judgment any default by Tenant will jeopardize the Premises or the rights of Landlord, Landlord may, without notice, elect to cure Tenant's default and Tenant will reimburse Landlord, on 10-days' notice by Landlord to Tenant.

F. LANDLORD'S RIGHT ON TERMINATION TO RECOVER AMOUNT EQUAL TO RENT RESERVED: If this Agreement is terminated by Landlord due to any event of default by Tenant, Landlord will be entitled to recover from Tenant, at termination, the excess, if any, of the rent reserved in this Agreement for the balance of the term over the reasonable rental value of the Premises for the same period. The "reasonable rental value" will be the amount of rental Landlord can obtain as rent for the balance of the term. Provided, however, the foregoing "reasonable rental value" shall be set-off against the entire outstanding amount of the Total Improvement Rebate".

G. LANDLORD'S REMEDIES CUMULATIVE: All of the remedies given to Landlord in this Agreement or by law are cumulative, and the exercise of one remedy by the Landlord will not impair its right to exercise any other right or remedy. Landlord shall not look to the property or assets of any direct or indirect partner, member, manager, shareholder, director, officer, principal, employee or agent of Tenant in seeking either to enforce Tenant's obligations under this Agreement or to satisfy a judgment for Tenant's failure to perform such obligations; and none of such parties shall be personally liable for the performance of Tenant's obligations under this Agreement.

SECTION 16. REMOVAL OF OTHER LIENS

In event any lien upon Landlord's title results from any act or neglect of Tenant and Tenant fails to remove said lien within thirty (30) days after Landlord's notice to do

so, Landlord may remove the lien by paying the full amount thereof or otherwise and without any investigation or contest of the validity thereof and Tenant shall pay Landlord upon request the amount paid out by Landlord in such behalf, including Landlord's costs, expenses and reasonable attorney's fees. If Tenant demonstrates to Landlord that Tenant is contesting the validity of said lien in good faith, then Landlord shall allow Tenant to so contest such lien until either Tenant either abandons such contest or a final verdict is reached in a court of competent jurisdiction. Any amount advanced on behalf of Tenant shall be paid to Landlord by Tenant within 30 days after such advancement is made together with interest at 9% per annum and such amount shall be considered additional rentals.

SECTION 17. EXPENSES OF ENFORCEMENT

Tenant, if Landlord is the prevailing party, shall pay upon demand all Landlord's costs, charges and expenses, including reasonable attorney's fees, agents fees and fees of others retained by Landlord, incurred in enforcing any of the obligations of Tenant under this Agreement, or in any litigation, negotiation or transaction in which Landlord shall, without Landlord's fault become involved through or on account of any action or omission of Tenant regarding this Agreement.

Landlord, if Tenant is the prevailing party, shall pay upon demand all Tenant's costs, charges and expenses, including reasonable attorney's fees, agents fees and fees of others retained by Tenant, incurred in enforcing any of the obligations of Landlord under this Agreement, or in any litigation, negotiation or transaction in which Tenant shall, without Tenant's fault become involved through or on account of any action or omission of Landlord regarding this Agreement.

SECTION 18. EMINENT DOMAIN

A. MORE THAN 30 PERCENT TAKEN: If 30 percent or more of the Premises are taken for a public or quasi-public use, this Agreement will terminate as of the date of the physical taking, and the Parties will be released from all further liability. Landlord shall promptly notify Tenant of any pending or threatened taking and of all related proceedings including the settling of any award.

B. LESS THAN 30 PERCENT TAKEN: If the taking affects less than 30 percent of the Premises, the Landlord will, with reasonable diligence, proceed at Landlord's expense to repair the Premises and place them in tenantable condition within 120 days after the date of the actual physical taking.

C. ABATEMENT OF RENT: During any repair, Tenant will be required to pay only that part of the fixed minimum monthly rental as the area of the tenantable Premises remaining during repairs bears to the entire area leased. On completion of repairs, the fixed minimum monthly rental will be adjusted in proportion to the repaired area, and Tenant will be required to pay the adjusted fixed minimum monthly rental in accordance this Agreement (attributable to the portion of the Premises taken) and the remainder of the fixed minimum monthly rental shall be forever waived and forgiven by Landlord.

D. RIGHT TO CONDEMNATION AWARD: Upon any taking of the Premises, whether total or partial, (a) if this Lease is terminated as provided herein, Tenant shall be entitled to receive such portion of the condemnation award (i) as is awarded for the value of the improvements to the Premises at the time of the Taking, or (ii) if not separately awarded, such portion of the condemnation award as the value of the improvements to the Premises taken bears to the aggregate value of the improvements to the Premises and, in addition thereto, Tenant shall have the right to prove in any condemnation proceedings and to receive any separate award which may be made for damages to or condemnation of Tenant's movable trade fixtures and equipment and for moving expenses; and (b) if this Lease is not terminated, to the extent that Tenant shall restore the Premises pursuant to the provisions of this Article, Landlord shall make available to Tenant so much of the proceeds of such condemnation award equal to the value of the Leasehold Improvements, except for those paid for by the City per the Tenant Improvement Allowance, in accordance with the provisions of this Article (but in no event more than the total actual proceeds received by Landlord), it being agreed that the balance of such award, if any, shall be retained by Landlord.

SECTION 19. GOVERNMENTAL INTERFERENCE WITH POSSESSION

Tenant will not be released from its obligation should its possession of the Premises be interfered with by adoption of any law, ordinance, resolution, regulation or act of any legal or governmental authority. Further, Tenant will not be released by any order of abatement or judgment preventing use of the Premises on the ground that the Premises or the business operated there constitutes a legally recognized nuisance.

SECTION 20. PEACEFUL ENJOYMENT

Landlord covenants and warrants that it is the owner of the Premises and that Tenant, on payment of rents and performance of the conditions, covenants, and agreements to be performed by it, may enjoy the Premises without interruption or disturbance. Landlord covenants, represents and warrants that there is no mortgage, deed of trust or similar encumbrance affecting the Premises, as of the date hereof.

SECTION 21. EFFECT OF WAIVER OF BREACH OF COVENANTS

No waiver of any breach of any condition of this Agreement will be construed to be a waiver of any other breach of provision, covenant or condition.

SECTION 22. AMENDMENTS TO BE IN WRITING

This Agreement may be modified or amended only in writing signed by Landlord and Tenant. It may not be amended or modified by oral agreements between the Parties unless they are in writing duly executed by Landlord and Tenant.

SECTION 23. PARTIES BOUND

Every provision of this Agreement will bind the parties and their legal representatives. The term "**legal representatives**" is used in its broadest meaning and

includes, in addition to assignees, every person, partnership, corporation or association succeeding to any interest in this Agreement. Every covenant, agreement and condition of this Agreement will be binding on Tenant's successors and assignees. Any sublease, concession or license agreement will be subject and subordinate to this Lease.

SECTION 24. NOTICES

All notices or demands that either party may need to serve under this Agreement may be served on the other party either in person, or by mailing a copy by registered or certified mail to the following addresses for the parties (or at such other address as the applicable party may designate in a written notice to the other party):

If to the City:

City Manager
2100 Ridge Avenue
Evanston, IL 60201

with a copy to:

Corporation Counsel
2100 Ridge Avenue
Evanston, IL 60201

If to Tenant:

Christopher Casas
1218 Hartrey Avenue
Evanston, IL 60202

Service will be deemed complete at the time of the hand delivery of notice or within 2 days after mailing. In the event that it appears that Tenant is avoiding the service of any notice and is not present at the Premises for a period of more than 14 consecutive days, notices may be served by posting such notice upon the Premises. Notice shall then be deemed effective 5 days after such posting.

SECTION 25. MISCELLANEOUS

A. Provisions typed on this Agreement and all exhibits attached to this Agreement and signed by Landlord and Tenant are hereby made a part of this Agreement.

B. Tenant shall keep and observe such reasonable rules and regulations now or hereafter required by Landlord, which may be necessary for the proper and orderly care of the building of which the Premises are a part.

C. All covenants, promises, representations and agreements herein contained shall be binding upon, apply and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, successors and assigns.

D. The rights and remedies hereby created are cumulative and the use of one remedy shall not be taken to excuse or waive the right to the use of another.

E. The words "Landlord" and "Tenant" wherever used in this Agreement shall be construed to mean Landlords or Tenants in all cases where there is more than one Landlord or Tenant herein; and the necessary grammatical changes shall be assumed in each case as though full expressed.

F. This Agreement and any written and signed Amendments and/or Riders hereto shall constitute the entire agreement between the parties, and any oral representations made by one party to the other are considered merged herein.

G. In all cases where Landlord's consent is required, Landlord's consent shall not be unreasonably withheld.

SECTION 26. VENUE AND JURISDICTION

The Parties agree the this Agreement shall be governed by and interpreted in accordance with the laws of the State of Illinois and that venue for any disputes shall be in the Circuit Court of Cook County, Illinois.

SECTION 27. FORCE MAJEURE

Other than for Landlord's and Tenant's obligations under this Lease that can be performed by the payment of money, whenever a period of time is herein prescribed for action to be taken by either party hereto, such time period will be extended by a period equal to the period of any delays in performance by the applicable party due to any of the following events ("**Force Majeure**"): (i) Acts of God, (ii) strike or other such labor difficulties not specific to any labor issue existing only at the Premises, (iii) extraordinary weather conditions greatly exceeding norms for the greater metropolitan area where the Premises located, (iv) extraordinary scarcity of or industry-wide inability to obtain supplies, parts or employees to furnish such services, or (v) or any cause whatsoever beyond a party's control. For purposes of this Section, a cause or event shall not be deemed to be beyond a party's control, if it is within the control of such party's agents, employees or contractors.

IN WITNESS WHEREOF, both of said Landlord and Tenant have caused this Agreement to be executed as of the date and year first above written by a duly authorized officer or manager of each of the respective parties.

Landlord:

**THE CITY OF EVANSTON,
an Illinois home rule municipal corporation**

By: _____

Its: City Manager, Wally Bobkiewicz

Attest: _____

Tenant:

CHRISTOPHER CASAS

By: _____

Print Name: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The Undersigned, a Notary Public in and for said County in the State aforesaid, do hereby certify that Wally Bobkiewicz, City Manager of the City of Evanston, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that he signed and delivered such instrument as his own free and voluntary act, and as the free and voluntary act of the City of Evanston, all for the uses and purposes set forth therein.

Given under my hand and notarial seal on _____, 2014.

Notary Public

My Commission Expires:

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The Undersigned, a Notary Public in and for said County in the State aforesaid, do hereby certify that Christopher Casas personally known to me to be the same person whose name is subscribed to the foregoing instrument as such person, appeared before me this day in person and acknowledged that he signed and delivered such instrument as his own free and voluntary act, all for the uses and purposes set forth therein.

Given under my hand and notarial seal on _____, 2014.

Notary Public

My Commission Expires:

EXHIBIT A

PREMISES BUILD-OUT SCOPE OF WORK AND SITE PLAN