

OFFICE LEASE  
415 EXECUTIVE CENTER LEASE  
WAUKEGAN, ILLINOIS 60085

THIS OFFICE LEASE ("Lease"), dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013 ("Effective Date") between VFC Properties 17 LLC, a Delaware limited liability company ("Landlord"); and, **COUNTY OF LAKE** whose address is: 18 N. County Street, 9<sup>th</sup> Floor in Waukegan, Illinois 60085 ("Tenant"), and tenant accepts that certain office space shown and designated on the plan attached hereto and made a part hereof as Exhibit A, with Suite 201-203, comprising 3,805 square feet; and Suite 202, comprising 2,481 square feet, totaling 6,286 rentable square feet, commonly described as **Suites 201-203 and 202** and herein collectively referred to as the "Premises", in the building ("Building") situated on the property commonly known as 415 Executive Center, 415 west Washington Street, Waukegan, Illinois (the "Property") for a term scheduled to commence on **April 10, 2013** ("**Commencement Date**") and ending on **September 30, 2014** ("Term") unless sooner terminated as provided herein and subject to the agreements herein contained.

In consideration thereof, Landlord and Tenant covenant and agree as follows:

1. **RENT.** Tenant shall pay to Landlord at the office of Landlord or to such other person at such other place as Landlord may designate, Rent for the Term in monthly installments as provided below, each in advance on the first day of each and every calendar month during the Term without any offsets or deductions of any kind except as provided herein. If the Term commences on other than the first day of a month or ends on other than the last day of a month, then the Rent for such month shall be prorated for such fractional period and paid promptly to Landlord.

<u>Period</u>	<u>Monthly Rent</u>
4/10/2013 to 9/30/2014	\$7,202.71

2. Intentionally Deleted
3. **SERVICES.** Landlord shall provide the following services on all days during the Term of this Lease excepting Sundays and holidays, unless otherwise requested, in writing for tenant operations:
  - (a) Heat and air conditioning daily from 8 A.M. to 6 P.M. (Saturdays which are not a holiday from 8 A.M. to 1 P.M.) Sundays and holidays excepted whenever, and to the extent that heat and air conditioning shall, in the Landlord's judgment, be required for the comfortable occupation and use of the Premises.
  - (b) City water from the regular Building outlets for drinking, lavatory and

toilet purposes.

- (c) Janitor services Monday through Friday in and about the Premises, comparable to the standard janitorial service typically furnished in office buildings in the north suburban area, which are of comparable size and quality to that of the Building. No persons shall be employed by Tenant to do janitor work in the Premises and no persons other than the janitors of the Building shall clean the Premises unless Landlord shall give its written consent thereto. Any person employed by Tenant with Landlord's consent to do janitor work shall, while in the Building, either inside or outside of the Premises, be subject to and under the control and direction of the superintendent of the Building (but not as agent or servant of said superintendent or of Landlord).
- (d) Window washing of all windows in the Premises both inside and out, weather permitting, at regular intervals to be determined by Landlord.
- (e) Adequate passenger elevator service in common with other tenants at all times.
- (f) Such additional services on such terms and conditions as may be mutually agreed upon by Landlord and Tenant.

All charges for additional services requested by Tenant shall be due and payable at the same time as the installment of Rent with which they are billed, or, if billed separately, shall be due and payable after such billing in accordance with the Local Government Prompt Payment Act. In case Tenant shall fail to make payment in accordance with the Local Government Prompt Payment Act for any services Landlord may, after a minimum of thirty (30) days written notice to Tenant, discontinue any or all of such services and such discontinuance shall not be held or pleaded as an eviction or as a disturbance in any manner whatsoever of Tenant's possession, or relieve Tenant from the payment of Rent when due, or vary or change any other provision of this Lease or render Landlord liable for damages of any kind whatsoever.

Landlord shall arrange with the public utility providing the Building with electricity for the electric current and power required in the Premises. Tenant shall bear the cost of maintenance of light fixtures and replacement of bulbs, tubes, as well as the public utilities' direct bills for Tenant's metered charges for usage within the Premises and specifically not including the heating and air-conditioning costs.

The Landlord shall not be obligated to provide any services other than those expressly set forth above. Landlord does not warrant that any of the services mentioned above will be free from interruptions caused by war, insurrection,

civil commotion, riots, acts of God or enemy or government action, repairs, renewals, improvements, alterations, strikes, lockouts, picketing, whether legal or illegal, accidents, inability of Landlord to obtain gas, water, fuel or supplies, or any other cause or causes beyond Landlord's reasonable control. Any such interruption of service shall never be deemed an eviction (actual or constructive) or a disturbance of Tenant's use and possession of the Premises or any part thereof and shall never render Landlord liable to Tenant for damages by abatement of rent or otherwise or relieve Tenant from performance of Tenant's obligations under this Lease.

4. **PREPAID RENT.** At or before the Commencement Date, and as a condition for Landlord to grant Tenant possession of the Premises, Tenant shall pay Landlord the full amount of first month's Rent, the full amount of last month's Rent and any amounts that are prorated to reflect a partial month Rent amount for a Commencement Date not occurring on the first of the month (collectively "Prepaid Rent"). Tenant acknowledges that Prepaid Rent is not a security deposit, shall not be segregated, is not refundable and shall immediately be disbursed to Landlord upon receipt for use in Landlord's sole discretion.

5. **USE.** Tenant shall use and occupy the Premises for general office and for no other purpose, unless otherwise expressly agreed in writing by Landlord. Tenant will not use or permit upon the Premises anything that may be dangerous to life or limb. Tenant will not in any manner deface or injure the Building or any part thereof or overload the floors of the Premises. Tenant will not do anything or permit anything to be done upon the Premises in any way tending to create a nuisance, or tending to disturb any other tenant in the Building or the occupants of neighboring property or tending to injure the reputation of the Building. Tenant will comply with all governmental, health and police requirements and regulations respecting the Premises. Tenant will not use the Premises for lodging or sleeping purposes or for any immoral or illegal purposes. Tenant shall not at any time sell, purchase or give away, or permit the sale, purchase or gift of, food in any form by or to any of Tenant's agents or employees or any other parties on the Premises.

6. **CONDITION OF PREMISES.** The Tenant hereby acknowledges by taking possession of the Premises that the Work required by Landlord as outlined on Exhibit B ("the Work") has been completed. Excluding the Work, no representation respecting the condition of the Premises or the Building has been made by the Landlord to the Tenant other than as set forth above and Tenant is accepting the Premises in its "AS IS" condition.

A. Access By Tenant Prior To Commencement Of Term.

Landlord, at Landlord's discretion, may permit Tenant and Tenant's agents, suppliers, contractors and workmen to enter the Premises prior to the

commencement of the Term to enable the installation of phones, computers, furniture, fixtures and equipment or do such other things as may be required by Tenant to make the Premises ready for Tenant's occupancy. Tenant agrees that if such permission is granted Tenant and its agents, contractors, workmen and suppliers and their activities in the Premises and Building will not interfere with other activities of Landlord or occupants of the Buildings. Landlord shall have the right to withdraw such permission upon twenty-four (24) hours written notice to Tenant if Landlord determines that any such interference or delay has been or may be caused. Tenant agrees that any such entry into the Premises shall be at Tenant's sole risk and Landlord shall not be liable in any way for any injury, loss or damage which may occur to any of the Tenant's property or installation made in the Premises and Tenant agrees to protect, defend, indemnify and save harmless Landlord from all liabilities, costs, damages, fees (including attorneys' fees) and expenses arising out of or connected with the negligent acts of Tenant or its agents, contractors, suppliers or workmen in or about the Premises or Building.

If Tenant shall enter possession pursuant to this Section of all or any part of the Premises prior to the date fixed above for the first day of the Term, all of the covenants and conditions of this Lease shall be binding upon the parties hereto in respect of such possession.

B. Work. Landlord, at Landlord's sole cost and expense, shall do certain improvements to the Premises as described on Exhibit B. Subject to the provisions of this Lease, Landlord shall proceed diligently to cause the Work to be substantially completed on or before the Commencement Date but no later than ten (10) days from the Commencement Date. In the event the Work is not substantially completed ten (10) days after the Commencement Date, Tenant shall have the right to terminate this Lease, without penalty, as its sole and exclusive remedy under this Lease.

C. Tenant Improvement Allowance. Tenant acknowledges that Landlord has allocated Ten Thousand Dollars (\$10,000.00) ("T.I. Allowance") to pay for the Work to be performed by Landlord as described in Exhibit B.

D. Temporary Vacation of Premises. On February 15, 2013, through the Commencement Date ("Vacation Period"), Tenant shall vacate the Premises so that Landlord can complete the Work. During the Vacation Period, Tenant shall keep and maintain all insurance required under this Lease and any furniture, fixtures or personal property left at the Premises during the Vacation Period shall not create a bailment or other affirmative duty by the Landlord keep safe or protect any furniture, fixtures or personal property and Landlord shall not be responsible for any damage thereof. No actions or inactions by the Tenant during the Vacation Period shall waive or forgive any of Tenant's obligations under this Lease. Tenant shall indemnify Landlord and hold Landlord harmless for any claim or liability arising out of Tenant's

storage of its furniture, fixtures or personal property during the Vacation Period.

7. **POSSESSION.** Landlord shall undertake such commercially reasonable efforts so that the Premises will be ready for occupancy on or before sixty (60) days from the execution of this Lease. In the event the Premises shall not be completed and ready for occupancy on the date above fixed for the commencement of the Term of this Lease, this Lease shall nevertheless continue in full force and effect, and no liability shall arise against Landlord out of any such delay beyond the abatement of Rent until the Premises are ready for occupancy (as such date is certified by the architect for the Building); provided, however, there shall be no abatement of Rent if the space is not ready for occupancy because (a) Tenant's failure to furnish the Plans by the date required under Section 6.A of this Lease; (b) Tenant's request for Additional Work or for materials, finishes or installations other than The Work; (c) Changes in the Plans or in the Work made by Tenant (notwithstanding Landlord's approval of such changes); or (d) Any other delay caused by the act or omission of Tenant or its employees or agents.

If Tenant shall enter possession pursuant to this Section of all or any part of the Premises prior to the date fixed above for the first day of the Term, all of the covenants and conditions of this Lease shall be binding upon the parties hereto in respect of such possession.

8. **ASSIGNMENT AND SUBLETTING.** Tenant shall not, without the prior written consent of Landlord, (a) assign, convey or mortgage this Lease or any interest hereunder; (b) permit any assignment hereof by operation of law; (c) sublet the Premises or any part thereof; or (d) permit the use of the Premises by any parties other than Tenant, its agents and employees (all of the foregoing being hereinafter collectively referred to as "Transfer"). Landlord's consent to any Transfer or Landlord's election to accept any assignee, sublessee or transferee as the Tenant hereunder shall not release the Tenant from any covenant or obligation under this Lease. Landlord's consent to any assignment or subletting shall not constitute a waiver of Landlord's right to consent to any future assignment or subletting.

In the event the Tenant proposes to Transfer this Lease, it shall first give written notice to Landlord ("Transfer Notice") of its intention to do so, which notice shall contain: (1) the name of the proposed assignee, sub-tenant or occupant (collectively "Transferee"); (2) the nature of the proposed Transferee's business to be carried on in the Premises; (3) the terms and provisions of the proposed Transfer; and (4) the most recent financial statement or other equivalent financial information concerning the proposed

Transferee. Once given, any such notice of proposed Transfer shall be irrevocable for such period of time as is permitted under this Section for Landlord to make an election and for such election to be final.

Landlord agrees, within thirty (30) days after receipt of The Transfer Notice to either:

- A. not unreasonably withhold or delay its consent; or
- B. terminate this Lease, in which event this Lease shall terminate on the sixtieth (60th) day after the Landlord's receipt of Tenant's proposal in accordance with the provisions of this Lease relating to the surrender of the Premises at the expiration of the Term.

It is hereby agreed that in addition to other reasonable grounds, the withholding of the consent described above will be deemed reasonable if:

- (a) in the reasonable judgment of Landlord, the proposed Transferee:
  - (i) is of a character or engaged in a business or proposes to use the Premises in a manner which is not in keeping with the standards of Landlord for the Building;
  - (ii) has an unfavorable reputation; or
  - (iii) has a credit-standing which, in the opinion of Landlord, is inferior to Tenant or other tenants of the Building.
- (b) an event of default has occurred and has not then been cured;
- (c) the proposed Transfer does not obligate the proposed Transferee to comply with all of the Terms of this Lease which imposes obligations or responsibilities upon Tenant.

In the event Landlord consents to any such Transfer, as a condition thereto, the Tenant shall pay to Landlord one hundred percent (100%) of all profits derived by Tenant from such Transfer, except for any profits derived from Tenant's other departments or affiliates. For purposes of the foregoing, profits shall be deemed to include but shall not be limited to, the amount of all Rent or other consideration payable by any Transferee in excess of the Base Rent, and rent adjustments, payable by Tenant under this Lease. If part of the consideration for such Transfer shall be payable other than in cash, the payment to Landlord of its share of such non-cash consideration shall be in such form as is satisfactory to Landlord.

Tenant shall and hereby agrees that it will furnish to Landlord upon request

from Landlord a complete statement, certified by an independent certified public accountant setting forth in detail, the computation of all profit derived and to be derived by any such Transfer. Such computation to be made in accordance with generally accepted accounting principles.

For purposes of the foregoing, any change in the partners of Tenant, if Tenant is a partnership, or if Tenant is a corporation, any Transfer of any or all of the shares of stock of Tenant by sale, assignment, operation of law or otherwise resulting in the present control of such corporation by the person or persons owning a majority of such shares as of the date of this Lease, shall be deemed to be a Transfer within the meaning of this Section 8.

It shall be a condition to any consent by Landlord to any such requested Transfer of this Lease or Tenant's interest in and to the Premises that Tenant shall reimburse Landlord for administrative expense for the review and/or preparation of necessary documents.

9. **REPAIRS.** For damage caused by Tenant's negligence only, not normal wear and tear, Tenant will, at its own expense, keep the Premises decorated and in good order, condition and repair during the Term of this Lease, except as otherwise provided in Section 22 of this Lease, and Tenant shall promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken glass, fixtures, equipment, improvements and appurtenances, under the supervision and with the approval of the Landlord, and within any reasonable period of time specified by Landlord. If the Tenant does not do so, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof forthwith upon being billed for same. Landlord may enter the Premises at all reasonable times to make such repairs and replacements and any other repairs, alterations, improvements and additions to the Premises or to the Building of which the Premises form a part or to any equipment located in the Building, including ducts and all other facilities for air conditioning service, as Landlord shall desire or deem necessary or as Landlord may be required to do by the City of Waukegan or by the order or decree of any court or by any other governmental authority.
10. **ALTERATIONS.** Tenant shall not, without the prior written consent of Landlord, which shall not unreasonably be withheld, make any alterations, improvements or additions to the Premises. All alterations, improvements and additions, whether temporary or permanent in character, made by Landlord or Tenant in or upon the Premises shall, unless Landlord requests their removal, become Landlord's property and shall remain upon the Premises at the termination of this Lease by lapse of time or otherwise, without compensation to Tenant, excepting, however, the following items of property, insofar as they may be removed without permanent structural damage to the Building: Tenant's movable office furniture, trade fixtures,

office equipment and special lighting fixtures.

**11. CERTAIN RIGHTS RESERVED BY LANDLORD.** Landlord shall have the following rights, exercisable without notice and without any liability of Landlord to Tenant and without effecting an eviction, constructive or actual, or disturbance of Tenant's use or possession or giving rise to any claim for set-off or abatement of Rent:

- (a) To change the Building's name or street address or the suite numbers(s) of the Premises.
- (b) To install, affix and maintain any and all signs on the exterior and/or interior of the Building.
- (c) To designate and/or approve, prior to installation, all types of window shades, blinds, drapes, awnings, window ventilators and other similar equipment, and to control all internal lighting that may be visible from the exterior of the Building.
- (d) To designate, restrict and/or control all sources from which Tenant may obtain ice, drinking water, towels, toilet supplies, or like or other services on the Premises, and, in general, to reserve to Landlord the exclusive right to designate, limit, restrict and/or control any business and any service in or to the Building and its tenants.
- (e) To show the Premises to prospective tenants at reasonable hours during the last three (3) months of the Term and if vacated during one (1) year to prepare the Premises for re-occupancy.
- (f) To retain at all times, and to use in appropriate instances, keys to all doors within and into the Premises, subject to or coordinated with any County security rules or procedures. No locks shall be changed without the prior written consent of Landlord.
- (g) To decorate or to make repairs, alterations, additions, or improvements, whether structural or otherwise, in and about the Building, or any part thereof, and for such purposes to enter upon the Premises, and, during the continuance of any of said work, temporarily to close doors, entryways, public space and corridors in the Building and to interrupt or suspend temporarily Building services including and not limited to elevator service and facilities all without abatement of Rent or affecting any of Tenant's obligations hereunder, so long as the Premises are reasonably accessible.
- (h) To grant to anyone the exclusive right to conduct any business or render any service in or to the Building, provided such exclusive right



shall not operate to exclude Tenant from the use expressly permitted herein.

- (i) To approve the weight, size and location of safes and other heavy equipment and articles in and about the Premises and the Building (so as not to exceed the legal load), and to require all items, furniture and similar items to be moved into and/or out of the Building and Premises only at such times and in such manner as Landlord shall direct in writing. Movements of Tenant's property into or out of the Building and within the Building are entirely at the risk and responsibility of Tenant and Landlord reserves the right to require verification before allowing any such property to be moved into or out of the Building.
- (j) To prohibit the placing of vending or dispensing machines of any kind in or about the Premises without the prior written permission of Landlord.
- (k) To close the Building after regular working hours and on Saturdays, Sundays and legal holidays subject, however, to Tenant's right to admittance, under such regulations as Landlord may prescribe from time to time, which may include by way of example but not of limitation, that persons entering or leaving the Building identify themselves to a watchman by registration or otherwise and that said persons establish their right to enter or leave the Building.

Landlord may enter upon the Premises and may exercise any or all of the foregoing rights hereby reserved without being deemed guilty of an eviction or disturbance of Tenant's use or possession and without being liable in any manner to Tenant.

- 12. COVENANT AGAINST LIENS.** Tenant covenants and agrees not to suffer or permit any lien of mechanics or materialmen to be placed against the Building or the Premises, and in case of any such lien immediately pay off and remove the same. Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises, and any and all liens and encumbrances created by Tenant shall attach to Tenant's interest only.

**13. MUTUAL INDEMNIFICATION.**

Landlord and Tenant agree to protect, indemnify and save each other and their shareholders, officers, directors and employees harmless from and against all liabilities, damages and expenses arising from injury to persons or damage to property on the Premises or in or about the Building arising out of or in connection with their gross negligence or willful and wanton act.

**14. INSURANCE.** In consideration of the leasing of the Premises at the rental stated herein, Landlord and Tenant agree to provide insurance and allocate the risk of loss as follows:

Tenant, shall self-insure during the Term hereof, for furniture, equipment or other personal property located in the Premises protecting Landlord and Tenant from damage or other loss caused by fire or other casualty including, but not limited to, vandalism and malicious mischief, perils covered by extended coverage, theft, sprinkler leakage, water damage (however caused), explosion, malfunction or failure of heating and cooling or other apparatus, and other similar risks in amounts not less than the full insurable replacement value of such property.

Tenant shall also self-insure for comprehensive public liability insurance, contractual liability insurance and property damage of not less than \$2,000,000 per occurrence for personal injury, bodily injury, sickness, disease or death or for damage or injury to or destruction of property (including the loss of use thereof) for any one occurrence.

Tenant shall, at Tenant's expense, obtain and keep in full force and effect a Workers' Compensation policy providing statutory benefits for Tenant's employees and Employer's Liability coverage with a limit in an amount not less than \$100,000 per employee by accident, \$100,000 per employee by disease and a \$500,000 policy limit by disease.

Landlord acknowledges that Tenant is self-insured as of the date of this Lease. Provided the Tenant's credit rating is not diminished, Tenant shall not be required to purchase third party insurance.

Landlord agrees to purchase and keep in force and effect insurance on the Building against fire, vandalism and malicious mischief, sprinkler leakage and such other risks as maybe included in extended coverage insurance from time-to-time available in amounts deemed appropriate by Landlord or the amount sufficient to prevent Landlord from becoming a co-insurer under the terms of the applicable policies, with such deductibles as Landlord may determine in its sole discretion. Such policies shall contain a replacement cost endorsement and a clause, if available, pursuant to which the insurance carriers waive all rights of subrogation against the Tenant with respect to losses payable under such policies.

By this section, Landlord and Tenant intend that the risk of loss or damage as described above be borne by responsible insurance carriers to the extent above provided, and Landlord and Tenant hereby agree to look solely to, and to seek recovery only from, their respective insurance carriers in the event of a loss of a type described above to the extent that such coverage is agreed

to be provided hereunder and is in fact provided. Landlord and Tenant agree that applicable portions of all monies collected from such insurance shall be used toward the full compliance of the obligations of Landlord and Tenant under this Lease in connection with damage resulting from fire or other casualty, subject to approval of Landlord's Institutional Lender, which at the time holds a first lien on the Property, with respect to restoration of the Building.

- 15. RIGHTS OF RECOVERY.** Landlord and Tenant agree to use their best efforts to have all insurance which may be carried with respect to the Building and Premises or to the property located in the Premises endorsed with a clause which reads substantially as follows: "This insurance shall not be invalidated should the insured waive in writing prior to a loss any or all rights of recovery against any party for loss occurring to the property described herein." Landlord hereby waives all claims for recovery from the Tenant for any loss or damage to the Building or any portion thereof and Tenant hereby waives all claims for recovery from the Landlord for any loss or damage to the Tenant or its property insured under valid and collectible insurance policies to the extent of the proceeds collected under such insurance policies. However, this waiver shall be effective only when the waiver is either permitted by such insurance policy or, by the use of good faith efforts could have been included in the applicable insurance policy at no additional expense.
- 16. NONWAIVER.** No waiver of any condition expressed in this Lease shall be implied by any neglect of Landlord to enforce any remedy on account of the violation of such condition if such violation be continued or repeated subsequently, and no express waiver shall affect any condition other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No receipt of moneys by Landlord from Tenant after the termination of the Term or of the Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given to Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.
- 17.** Intentionally Deleted.
- 18. LANDLORD'S REMEDIES.** If default shall be made in the payment of the Rent or any installment thereof or in the payment of any other sum required to be paid by Tenant under this Lease, or under the terms of any other agreement between Landlord and Tenant, and such default shall continue for five (5) days after written notice to Tenant, or if default shall be made in the performance of any of the other covenants or conditions which Tenant is

required to observe and perform and such default shall continue for thirty (30) days after written notice to Tenant or if the interest of Tenant in the Lease shall be levied on under execution or other legal process, or if an Event of Bankruptcy occurs or if Tenant shall abandon or vacate the Premises during the Term of this Lease, then Landlord may treat the occurrence of any one or more of the foregoing events as a breach of this Lease, and thereupon at its option may without notice or demand of any kind to Tenant or any other person, have any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity:

- (a) Landlord may terminate this Lease and the Term created hereby, in which event Landlord may forthwith repossess the Premises and be entitled to recover forthwith as damages a sum of money equal to the value of the Rent up to the date of termination plus any other sum of money and damages owed by Tenant to Landlord;
- (b) Landlord may terminate Tenant's right of possession and may repossess the Premises by forcible entry or detainer suit or otherwise, upon 30 days written notice, in which event Landlord shall reasonably attempt to relet the same for the account of Tenant, for such Rent and upon such terms as shall be satisfactory to Landlord. For the purpose of such reletting, Landlord is authorized to decorate or to make any repairs, changes, alterations, or additions in or to the Premises that may be necessary or convenient, and if Landlord shall fail or refuse to relet the Premises or if the Premises are relet and a sufficient sum shall not be realized from such reletting after paying all of the costs and expenses of such decorations, repairs, changes, alterations and additions and the expenses of such reletting (including the expenses for real estate brokers' commissions and attorneys' fees) and of the collection of the Rent accruing therefrom to satisfy the Rent provided for in this Lease to be paid, then Tenant shall pay to Landlord as damages a sum equal to the amount of the Rental reserved in this Lease for such period or periods, or, if the Premises have been relet, Tenant shall satisfy and pay any such deficiency upon demand therefor from time to time, and Tenant agrees that Landlord may file suit to recover any sums falling due under the terms of this Section from time to time and that no suit or recovery of any portion due Landlord hereunder shall be any defense to any subsequent action brought for any amount not theretofore reduced to judgment in favor of Landlord.

The following shall be "Events of Bankruptcy" under this Lease:

- (i) Tenant's becoming insolvent, as that term is defined in Title 11, of the United States Code, entitled Bankruptcy, 11 U.S.C. 101 et seq. (the "Bankruptcy Code"), or under the insolvency laws of any State,

District, Commonwealth or Territory of the United States (the "Insolvency Laws");

- (ii) the appointment of a receiver or custodian for all or a substantial portion of Tenant's property or assets, or the institution of a foreclosure action upon all or a substantial portion of Tenant's real or personal property;
- (iii) the filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws;
- (iv) the filing of an involuntary petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency laws, which is either not dismissed within thirty (30) days of filing, or results in the issuance of an order for relief against the debtor, whichever is later; or
- (v) Tenant's making or consenting to an assignment for the benefit of creditors or a common law composition of creditors.

**19. COSTS AND EXPENSES OF ENFORCEMENT.** If either party shall default in the performance of any obligations under this Lease and such default continues after the expiration of the notice or grace period in this Lease provided, the aggrieved party may perform such obligation for the account and at the expense of the other party, upon 30 days written notice. All costs incurred by the aggrieved party in performing such obligation and all attorneys' fees and expenses of the aggrieved party incurred in enforcing any of the obligations of the other party under this Lease shall be due and payable by the other party on demand.

**20. SURRENDER OF POSSESSION.** Upon the termination of this Lease and the Term hereby created or upon the termination of Tenant's right of possession, whether by lapse of time or at the option of Landlord as aforesaid, Tenant will at once surrender possession of the Premises to Landlord in good repair and tenantable condition (subject to Section 22 hereof) and remove all effects therefrom, and if such possession is not immediately surrendered Landlord may forthwith reenter the Premises and repossess itself thereof as of its former estate and remove all persons and effects therefrom, using such force as may be necessary, without being deemed guilty of any manner of trespass or forcible entry or detainer. Without limiting the generality of the foregoing, Tenant agrees property left by the Tenant shall be conclusively presumed to have abandoned the same, and title thereto shall thereupon pass to Landlord without any cost either by set-off, credit allowance or otherwise, and Landlord may at its option accept the title to such property or, at Tenant's expense may: (a) remove the same or any part thereof in any manner that Landlord shall choose; and (b) store the same without incurring liability to Tenant or any other person.

**21. HOLDING OVER.** Upon thirty days written notice, Tenant shall pay to Landlord, double the Base Rent plus Additional Rent then applicable for each month or portion thereof, if Tenant shall retain possession of the Premises or any part thereof after the termination of this Lease, whether by lapse of time or otherwise, and also shall pay all damages sustained by Landlord on account thereof. The provisions of this Section shall not operate as a waiver by Landlord of any right of re-entry herein before provided. In the absence of such notice, Tenant shall occupy the Premises on a tenancy from month-to-month and all other terms and provisions of this Lease shall be applicable to such period, with the exception of the increase in Rent set forth above.

**22. FIRE OR CASUALTY.**

- A. If less than twenty-five percent (25%) of the Building or Premises is damaged or destroyed by fire or other casualty and, such damage will not interfere with Tenant's conduct of its normal pre-existing business in the Premises, or remainder thereof, then Landlord shall within a ninety (90) day period, proceed to repair and/or restore the Building or the Premises, other than the leasehold improvements and personal property paid for or installed by Tenant, unless such damage occurs in the last twelve (12) months of the Term, in which event Landlord shall have the right to terminate this Lease as of the date of such fire or other casualty by giving written notice thereof to Tenant within ninety (90) days after the date of such fire or other casualty.
- B. If more than twenty-five percent (25%) of the Building or Premises is damaged or destroyed by fire or other casualty, and such damage will not permit Tenant to carry on its normal pre-existing business in the Premises, or remainder thereof, Landlord may elect to either:
  - (i) terminate this Lease as of the date of the fire or other casualty by giving Tenant written notice thereof within ninety (90) days after said date; or
  - (ii) proceed to repair or restore the Building or the Premises, other than leasehold improvements and personal property paid for or installed by Tenant, and this Lease shall remain in full force and effect. If Landlord elects to proceed, pursuant to subsection "B" above, Landlord shall notify Tenant thereof within ninety (90) days after the date of such fire or other casualty which notice shall contain Landlord's reasonable estimate of the time required to substantially complete such repair or restoration. In all cases relative to such repair or restoration pursuant to this Article 22, due allowance shall be made for reasonable delay caused by adjustment of insurance loss, strikes, governmental approvals, labor difficulties or any cause beyond Landlord's reasonable control.

Notwithstanding anything contained in this Section to the contrary, Landlord shall not be obligated to expend for any of the foregoing repairs an amount in excess of the insurance proceeds recovered as a result of any such damage.

- C. In the event Landlord repairs the Premises as provided in sub paragraphs (A) or (B) above, all Base Rent shall abate for that part of the Premises which are untenable on a per diem and proportionate area basis from the date of the casualty until Landlord has substantially completed the repair and restoration work.

**23. CONDEMNATION.** If the whole or any part of the Premises or of the Building or any substantial portion of the parking area adjacent to the Building shall be taken or condemned by any competent authority for any public use or purpose or if any adjacent property or street shall be condemned or improved in such manner as to require the use of any part of the Premises or of the Building, the Term, at the option of Landlord shall end upon the date when the possession of the part so taken shall be acquired for such use or purpose and current Rent shall be apportioned as of the date of such termination. Tenant shall have no right to any apportionment of or share in any condemnation award or judgment for damages made for the taking of any part of the premises, the Building, or parking area, it being understood that Landlord shall be entitled to receive the entire price or award from any such sale, taking or condemnation without any payment to Tenant, and Tenant hereby assigns to Landlord all of Tenant's interest, if any, in any such award.

**24. NOTICES.** All notices to be given by one party to the other under this Lease shall be in writing, mailed or delivered as follows:

- (a) To Landlord:  
**VFC Properties 17 LLC**  
6400 Imperial Drive  
Waco, TX 76712  
ATTEN: Tim Larson

With copy to: C\O Peak Properties  
2201 West Roscoe  
Chicago, Illinois 60618  
ATTEN: Adam Keyser

or to such other person at such other address designated by notice sent to Tenant and after commencement of the Term to the address to which Rent is payable.

- (b) To Tenant: At the address herein above stated and after the

occupancy of the Premises by Tenant, at the Premises or to such other address designated by notice to Landlord.

Mailed notices shall be sent by United States certified or registered mail, return receipt requested, postage prepaid. Such notice shall be deemed to have been given upon posting in the United States mails.

**25. RULES AND REGULATIONS.** Landlord acknowledges that the Tenant's intended use includes the storage, testing, staging, and moving of Elections equipment in and out of the building. Tenant shall not be responsible for the wear and tear or temporary inconvenience caused by activities related to this purpose. Tenant agrees for itself, its employees, agents, clients, customers, invitees and guests, to comply with the following rules and regulations and with such reasonable modifications thereof and additions thereto as Landlord may make for the Building:

- (a) Any sign, lettering, picture, notice, or advertisement installed within Tenant's Premises which is visible to the public from within the Building shall be installed at Tenant's cost and only in such manner, character and style as Landlord may approve in writing. No sign, lettering, picture, notice or advertisement shall be placed on any outside window or in a position to be visible from outside the Building.
- (b) Tenant shall not advertise the business, profession or activities of Tenant in any manner which violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining thereto or use the name of the Building for any purpose other than that of the business address of the Tenant, or use any picture or likeness of the Building or the name "415 Executive Center" or any other name by which the Building may from time to time be known, in any letterheads, envelopes, circulars, notices, advertisements, containers or wrapping material, without Landlord's express consent in writing.
- (c) Tenant, its customers, invitees, licensees, and guests shall not obstruct sidewalks, entrances, passages, courts, corridors, vestibules, halls, elevators and stairways in and about the Building. Tenant shall not place objects near or against glass partitions or doors or windows which would be unsightly from the Building corridor, or from the exterior of the Building, and will promptly remove same upon notice from Landlord.
- (d) Tenant shall not take or permit to be taken in or out of other entrances of the Building, or take or permit on other elevators, any item normally taken in or out through the trucking concourse or service doors or in or on freight elevators; or, whether temporarily, accidentally, or



otherwise, allow anything to remain in, place or store any thing in, or obstruct in any way, any passageway, exit, stairway, elevator, shipping platform, or truck concourse. Tenant shall lend its full cooperation to keep such areas free from all obstruction and in a clean and sightly condition and move all supplies, furniture and equipment as soon as received directly to the Premises and move all such items and waste, other than waste customarily removed by building employees, being taken from the Premises directly to the shipping platform at or about the time arranged for removal therefrom.

- (e) Tenant shall not make any room-to-room canvass to solicit business from other tenants in the Building, and shall not exhibit, sell or offer to sell, use, rent or exchange any item or service in or from the Premises unless ordinarily embraced within the Tenant's use of the Premises specified herein.
- (f) Tenant shall not waste electricity or water and agrees to cooperate fully with Landlord to assure the most effective operation of the Building's heating and air conditioning, and shall refrain from attempting to adjust any controls other than room thermostats installed for Tenant's use. Tenant shall keep public corridor doors closed.
- (g) Door keys for doors in the Premises will be furnished at the commencement of the Term by Landlord. Tenant shall not affix additional locks on doors and shall purchase duplicate keys only from Landlord. When the Lease is terminated, Tenant shall return all keys to Landlord and will disclose to Landlord the combination of any safes, cabinets or vaults left in the Premises.
- (h) Tenant assumes full responsibility for protecting its space from theft, robbery and pilferage, which includes doors locked and other means of entry to the Premises closed and secured.
- (i) Peddlers, solicitors and beggars shall be reported to the office of the Building or as Landlord otherwise requests.
- (j) Tenant shall not install and operate machinery or any mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises without the written permission of the Landlord.
- (k) No person or contractor not employed by Landlord shall be used to perform window washing, cleaning, decorating, repair or other work in the Premises.
- (l) Tenant shall not cook in the Building.

- (m) Tenant shall comply with all applicable federal, state and municipal laws, ordinances and regulations and building rules, and shall not directly or indirectly make any use of the Premises which may be prohibited by any thereof or which shall be dangerous to person or property or shall increase the cost of insurance or require additional insurance coverage.

**26. ESTOPPEL CERTIFICATE.** The Tenant agrees that from time to time upon not less than ten (10) days prior request by Landlord, the Tenant, or Tenant's duly authorized representative having knowledge of the following facts, will deliver to Landlord a statement in writing certifying (a) that this Lease is unmodified and in full force and effect (or if there have been modifications that the Lease as modified is in full force and effect); (b) the dates to which the Rent and other charges have been paid; and (c) that the Landlord is not in default under any provision of this Lease, or, if in default, the nature thereof in detail. To the extent allowed by law, the Tenant hereby appoints the Landlord as attorney-in-fact for the Tenant with full power and authority to execute and deliver in the name of the Tenant any such certificate in the event the Tenant fails to do so on request.

**27. SUPERIORITY OF GROUND LEASE AND ATTORNMENT.** Tenant understands that the Landlord may sell the land underlying the Building of which the Premises forms a part and become the tenant under a ground or underlying lease of such land and agrees that this Lease and all rights of Tenant hereunder are subject and subordinate to such underlying lease and any extensions or modifications thereof. Tenant covenants and agrees that, if by reason of any default on the part of Landlord herein as tenant under said underlying lease, or on the part of the mortgagor under any mortgage to which this Lease is subject and subordinate, said underlying lease is terminated or such mortgage is foreclosed by summary proceedings, voluntary agreement or otherwise, Tenant, at the election of the landlord under said underlying lease or the owner of such mortgage, as the case may be, will attorn to and recognize such landlord or mortgage owner as Tenant's Landlord under this Lease. Tenant further agrees to execute and deliver at any time upon request of the Landlord or any person, firm or corporation which shall succeed to the interest of the Landlord as tenant under said underlying lease, any instrument to evidence such attornment. Tenant waives the provisions of any law now or hereafter in effect which may give Tenant any right of election to terminate this Lease or to surrender possession of the Premises in the event any proceeding is brought by the landlord under said underlying lease or the owner of such mortgage to terminate said underlying lease or foreclose such mortgage.

**28. SUBORDINATION TO MORTGAGES.** This Lease and all rights of Tenant hereunder are subject and subordinate to the lien of any mortgage or

mortgages now or at any time hereafter in force against the Building, the land underlying the Building, and/or the underlying leasehold estate, and to all advances made or hereafter to be made upon the security thereof. Tenant agrees to execute such further instruments subordinating this Lease to the lien or liens of any such mortgage or mortgages as Landlord from time to time may request.

- 29. DEFINITION OF LANDLORD.** The Tenant hereby acknowledges that JDI Waukegan Limited Partnership, an Illinois limited partnership, is the record owner of the Premises. Notwithstanding the foregoing, for purposes of this Lease, "Landlord" shall mean the Landlord hereinabove named. In the event of any sale or other transfer of the Building, the seller or transferor (and the beneficiaries of any selling or transferring land trust) shall be and hereby is and are entirely freed and relieved of all agreements, covenants and obligations of the Landlord hereunder, and without further agreement between the parties or their successors in interest or between the parties and the purchaser or transferee on any such sale or transfer, such purchaser or transferee shall be deemed and held to have assumed and agreed to carry out any and all agreements, covenants and obligations of the Landlord hereunder accruing from and after the date of such sale or transfer.
- 30. Intentionally Deleted.**
- 31. PARKING.** Tenant agrees to comply with all rules and regulations which may from time to time be promulgated by Landlord with respect to use of the parking area adjacent to the Building.
- 32. BROKERS.** Tenant represents and warrants to Landlord that neither it nor its officers or agents nor anyone acting on its behalf has dealt with any real estate broker in the negotiation or making of this Lease, other than the Landlord and Tenant agrees to indemnify and hold Landlord harmless from the claim or claims of any other broker or brokers claiming to have interested Tenant in the Building or Premises or claiming to have caused Tenant to enter into this Lease.
- 33. MISCELLANEOUS.**
- (a) All rights and remedies of Landlord under this Lease shall be cumulative and none shall exclude any other rights and remedies allowed by law.
  - (b) All payments becoming due under this Lease shall be considered as Rent, and shall be paid in accordance with the Local Government Prompt Payment Act.
  - (c) The word "Tenant" wherever used herein shall be construed to mean

Tenants in all cases where there is more than one Tenant, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

- (d) Each of the provisions of this Lease shall extend to and shall, as the case may require bind or inure to the benefit, not only of Landlord and of Tenant, but also of their respective heirs, legal representatives, successors and assigns, provided this clause shall not permit any assignment contrary to the provisions of Section 8 hereof.
- (e) All of the representations and obligations of Landlord are contained herein, and no modifications, waiver or amendment of this Lease or of any of its conditions or provisions shall be binding upon the Landlord unless in writing signed by Landlord or by a duly authorized agent of Landlord empowered by a written authority signed by Landlord.
- (f) Submission of this instrument for examination shall not bind Landlord in any manner, and no Lease or obligation on Landlord shall arise until this instrument is signed and delivered by Landlord and Tenant.
- (g) Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.
- (h) Neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant, and the recording thereof in violation of this provision shall make this Lease null and void at Landlord's election.
- (i) Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party, to create the relationship of principal and agent, partnership, joint venture or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any other provisions contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of Landlord and Tenant.
- (j) If the term of any other lease made by Tenant for any premise in the Building shall be terminated after the making of this Lease because of any default by Tenant under such other Lease, Landlord, at its option may terminate this Lease by written notice to Tenant.

**34. RIDER.** All riders (if any) attached to this Lease and signed by the Landlord and the Tenant are made a part hereof and incorporated herein by reference.

- 35. EXCULPATION/LIMITATION OF LIABILITY.** Anything to the contrary herein contained notwithstanding, there shall be absolutely no personal liability on Landlord or on any persons, firms or entities who constitute Landlord with respect to any of the terms, covenants, conditions and provisions of this Lease, and Tenant shall, subject to the rights of any mortgage, look solely to the interest of Landlord, its successors and assigns in the Building for the satisfaction of each and every remedy of Tenant in the event of default by Landlord hereunder; such exculpation of personal liability is absolute and without any exception whatsoever. If the entity constituting Landlord or the beneficiary of Landlord, if any, is a partnership, Tenant agrees that the deficit capital account of any such partner shall not be deemed an asset or property of said partnership.
- 36. HAZARDOUS MATERIALS.** Tenant covenants not to introduce any hazardous or toxic materials onto the Premises without complying with all applicable Federal, State and local laws or ordinances pertaining to the transportation, storage, use or disposal of such materials, including but not limited to obtaining proper permits. If Tenant's transportation, storage, use or disposal of hazardous or toxic materials on the Premises results in the contamination of the soil or surface or ground water or loss or damage to any person(s) or property, then Tenant agrees to: (1) notify Landlord immediately of any contamination, claim of contamination, loss or damage: (2) after consultation with the Landlord, clean up the contamination in full compliance with all applicable statutes, regulations and standards and (3) indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorney's fees and costs, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive termination of this Lease.
- 37. FUNDING.** This contract shall be deemed executory only to the extent of monies appropriated and available for the purpose of the contract and no liability on account thereof shall be incurred by Lake County beyond the amount of such monies. In the event that Lake County fails to appropriate funds for the purpose of this lease payment in subsequent years, the County may cancel without penalty or charge, upon thirty (30) days written notice of such non-appropriation of funds.
- 38. RENEWAL OPTION.** Provided Tenant has not been in default under the Lease, upon sixty (60) days advance notification to Landlord, Tenant shall have the option to extend the lease term on a month to month basis, for a maximum period of 6 months, ("Renewal Term") at the same Rent.

**IN WITNESS WHEREOF**, Landlord and Tenant have caused this instrument to be duly executed as of the date stated above.

Tenant:  
COUNTY OF LAKE

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Landlord:

\_\_\_\_\_  
VFC Properties 17 LLC

5533712.2

EXHIBIT A  
PREMISES

EXHIBIT B  
Landlord Work

Landlord agrees to make the following improvements to the Premises using current building standards:

- Suite 202: Remove and replace all carpet except for the 2 tile floor areas to remain.
- Suite 202: Paint entire suite.
- Suite 202: Demolition of three (3) existing walls, approximately 14 feet, 18 feet and 26 feet in length.
- Suite 202: Patching and repair of wall sections to remain after demolition of the three existing walls.
- Suite 202: Construct six inch soffits where the three existing walls are to be removed.
- Suite 202: Proper capping and termination of existing electrical conduit, low voltage wiring, HVAC system components, including the relocation of any affected thermostats, resulting from the demolition of the existing walls to be removed.
- Suite 202: Demolition of existing counter and knee wall.
- Suite 201/203: No improvements to be made.