



Meeting of the Village of Buffalo Grove
Village Board
Special Meeting
August 31, 2021 at 7:30 PM

Fifty Raupp Blvd
Buffalo Grove, IL 60089-2100
Phone: 847-459-2500

1. Call to Order

A. Open Meetings Act Compliance

All persons physically attending the meeting will be required to don an appropriate face covering during the duration of the meeting and before entering the Jeffrey S. Braiman Council Chambers. The Village of Buffalo Grove reserves the right to deny entry to any person displaying COVID-19 symptoms. All meeting participants shall observe CDC-published guidelines for social distancing while attending the meeting.

B. Pledge of Allegiance

2. Approval of Minutes

3. Approval of Warrant

4. Village President's Report

5. Village Manager's Report

6. Special Business

7. Reports from Trustees

8. Consent Agenda

All items listed on the Consent Agenda, which are available in this room this evening, are considered to be routine by the Village Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member or citizen so requests, in which event, the item will be removed from the General Order of Business and considered after all other items of business on the Regular Agenda under New Business. (Attached).

9. Ordinances and Resolutions

A. O-2021-61 Ordinance Authorizing the Village Manager to Enter into an Asset Purchase and Lease Termination Agreement with Progressive Management Services LLC (Trustee Stein) (Staff Contact: Chris Stilling)

B. O-2021-62 Ordinance Authorizing the Village Manager to Execute a Lease Agreement with WJ Golf LL at the Buffalo Grove Arboretum Club (Trustee Stein) (Staff Contact: Chris Stilling)

10. Unfinished Business

11. New Business

12. Questions From the Audience

Questions from the audience are limited to items that are not on the regular agenda. In accordance with Section 2.02.070 of the Municipal Code, discussion on questions from the audience will be limited to 10 minutes and should be limited to concerns or comments regarding issues that are relevant to Village business. All members of the public addressing the Village Board shall maintain proper decorum and refrain from making disrespectful remarks or comments relating to individuals. Speakers shall use every attempt to not be repetitive of points that have been made by others. The Village Board may refer any matter of public comment to the Village Manager, Village staff or an appropriate agency for review.

13. Executive Session

14. Adjournment

The Village Board will make every effort to accommodate all items on the agenda by 10:30 p.m. The Board, does, however, reserve the right to defer consideration of matters to another meeting should the discussion run past 10:30 p.m.

The Village of Buffalo Grove, in compliance with the Americans with Disabilities Act, requests that persons with disabilities, who require certain accommodations to allow them to observe and/or participate in this meeting or have questions about the accessibility of the meeting or facilities, contact the ADA Coordinator at 459-2525 to allow the Village to make reasonable accommodations for those persons.



Ordinance No. O-2021-61 : Ordinance Authorizing the Village Manager to Enter into an Asset Purchase and Lease Termination Agreement with Progressive Management Services LLC

Recommendation of Action

Staff recommends approval.

Staff recommends that the Village Board approve the attached Ordinance authorizing the Village Manager to execute the Lease Termination Agreement with Progressive Management Services, LLC, subject to the final approval by the Village Attorney.

ATTACHMENTS:

- BOT Memo for Progressive Termination 8.26.21 (DOCX)
- Arbo Term Lease Ord (DOCX)
- Final Progressive Lease Termination 8.26.21 (DOCX)

Trustee Liaison
Stein

Staff Contact
Chris Stilling, Community Development

Tuesday, August 31, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 27, 2021

TO: President Beverly Sussman and Trustees

FROM: Christopher Stilling, Director of Community Development

SUBJECT: Lease Termination Agreement with Progressive Management Services, LLC at the Arboretum Club Golf Club

Background

On May 21, 2001, the Village entered into a 10-year lease with two (2) five-year extensions with Progressive Management Services, LLC ("Progressive") for the restaurant and banquet facilities located at the Arboretum Golf Club. The current lease is set to expire on December 31, 2022 at the close of the final five-year extension term. Village staff and Progressive have come to terms on an Early Termination Agreement ("Agreement") and are requesting approval by the Village Board. Further details are outlined below.

Proposed Lease Termination

Attached is the Agreement in which Progressive would vacate the existing restaurant and banquet space at the Arboretum Club on November 15, 2021. The following is a summary of the proposed Agreement:

Tenant Obligations:

- Pay all rent through May 2021.
- Vacate the premises no later than noon on November 15, 2021.
- Progressive shall provide all assets (kitchen equipment, coolers, refrigerators, grills, tables/chairs, plats & silverware, etc.) free of liens and encumbrances to the Village.
- Progressive shall promptly cancel all events booked or reserved through the original lease expiration date (December 31, 2022) and shall fully return all deposits.
- Progressive is required to provide the Village documentation showing that all deposits have been returned.
- Progressive shall indemnify and hold the Village harmless from any future claims.

Village Obligations

- The Village will release Progressive of all obligations of the original lease after November 15, 2021.
- The Village will acquire all of Progressive's assets (kitchen equipment, coolers, grills, tables/chairs, plats & silverware, etc.) for \$275,000 and provide an early termination fee of \$25,000 for a total amount of \$300,000.
- The Village will pay Progressive in 2 installments:
 - The first payment of \$100,000 will be paid upon execution of the agreement; and
 - The second payment of \$200,000 will be paid on November 16, 2021, after Progressive vacates the space.
- The Village will waive rent from June 1, 2021 through November 15, 2021. Staff estimates this amount to be approximately \$7,000 in total.
- The Village will waive all utility payments for 2021. Staff estimates this amount to be \$27,000.

Staff Recommendation

Staff recommends that the Village Board approve the attached Ordinance authorizing the Village Manager to execute the Lease Termination Agreement with Progressive Management Services, LLC, subject to the final approval by the Village Attorney.

Ordinance No. 2021 -__

**ORDINANCE AUTHORIZING THE VILLAGE MANAGER TO ENTER INTO AN
ASSET PURCHASE AND LEASE TERMINATION AGREEMENT WITH
PROGRESSIVE MANAGEMENT SERVICES LLC**

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and,

WHEREAS, Landlord and Tenant entered into that certain Operating Lease dated May 21, 2001 ("Lease") for the restaurant and banquet facilities located at the Village of Buffalo Grove Arboretum Club, as more specifically defined in said Lease as the "Premises"; and

WHEREAS, the Lease was effective an initial term of ten years ending December 31, 2012, which term was extended from time to time thereafter pursuant to the terms of the Lease; and

WHEREAS, the current term of the Lease expires on December 31, 2022 ("Lease Expiration Date"); and

WHEREAS, Tenant owns certain assets consisting of the fixtures, furnishings, and equipment utilized in its restaurant and banquet operations, as itemized on Exhibit A attached hereto and incorporated herein (the "Tenant Assets"); and

WHEREAS, Landlord has advised Tenant that it is desirous of acquiring the Tenant Assets and of terminating the Lease prior to the Lease Expiration Date; and

WHEREAS, Landlord and Tenant have negotiated mutually agreeable terms, as more fully set forth hereinbelow, for the sale and purchase of the Tenant Assets and the termination of the Lease prior to the Lease Expiration Date.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COUNTIES OF COOK AND LAKE, STATE OF ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby incorporated and made a part of this Ordinance.

SECTION 2. The Village Manager is hereby authorized and directed to execute the attached Asset Purchase and Lease Termination Agreement pending final review and approval by the Village Attorney.

SECTION 3. This Ordinance shall be in full force and effect from and after its passage and approval.

YES: _____

NAYS: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Village President

ATTEST:

Village Clerk

ASSET PURCHASE AND LEASE TERMINATION AGREEMENT

THIS ASSET PURCHASE AND LEASE TERMINATION AGREEMENT (the "Agreement"), by and between the Village of Buffalo Grove ("Landlord") and Progressive Management Services, L.L.C. ("Tenant") is made and dated August ____, 2021 ("Effective Date").

WHEREAS, Landlord and Tenant entered into that certain Operating Lease dated May 21, 2001 ("Lease") for the restaurant and banquet facilities located at the Village of Buffalo Grove Arboretum Club Golf Club, as more specifically defined in said Lease as the "Premises"; and

WHEREAS, the Lease was effective an initial term of ten years ending December 31, 2012, which term was extended from time to time thereafter pursuant to the terms of the Lease; and

WHEREAS, the current term of the Lease expires on December 31, 2022 ("Lease Expiration Date"); and

WHEREAS, Tenant owns certain assets consisting of the fixtures, furnishings, and equipment utilized in its restaurant and banquet operations, as itemized on Exhibit A attached hereto and incorporated herein (the "Tenant Assets"); and

WHEREAS, Landlord has advised Tenant that it is desirous of acquiring the Tenant Assets and of terminating the Lease prior to the Lease Expiration Date; and

WHEREAS, Landlord and Tenant have negotiated mutually agreeable terms, as more fully set forth hereinbelow, for the sale and purchase of the Tenant Assets and the termination of the Lease prior to the Lease Expiration Date.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. DEFINED TERMS: Capitalized words and terms that are not specifically defined herein shall have the same definitions as set forth in the Lease.

2. SURRENDER OF PREMISES AND WALK THRU INSPECTIONS.

- a. Tenant shall vacate and surrender the Premises to Landlord on or before 12:00 noon on November 15, 2021 ("Surrender Date") in the condition required by the Lease, provided, however, that Tenant shall not be obligated to repair scuffs, stains, tears, cracks, scratches, nicks, and similar minor or cosmetic defects in or damage to carpet, tile, paint, wallpaper (and other floor

and wall surfaces), doors, frames, moldings, baseboards, or trim, all of which shall be deemed “ordinary wear “ under Section 20.1 of the Lease.

- b. Tenant and Landlord shall conduct a “Preliminary Walk Thru” of the Premises within five (5) business days after execution of this Agreement, and within three (3) business days thereafter Landlord shall provide Tenant with a written itemization of any conditions of the Premises that it considers to be other than “ordinary wear” or otherwise unacceptable under the terms of the Lease (the “Punch List”). The Landlord and Tenant agree that the purpose of the Preliminary Walk Thru is to allow them sufficient time prior to the Surrender Date to discuss and address any matters contained in the Punch List and shall not preclude a Final Walk Thru as of the Surrender Date as provided in Section 3.c. below.
- c. Tenant and Landlord shall conduct a “Final Walk Thru” of the Premises on or prior to the Surrender Date to ensure the Premises are being surrendered and re-delivered back to Landlord as required under the foregoing paragraph 2.a or in a manner reasonably acceptable to the Landlord, and for delivery of the keys to the Premises back to Landlord.

Notwithstanding the foregoing, all Tenant Assets shall be delivered in as-is condition as provided in paragraph 5 below.

3. LEASE TERMINATION. The Lease shall terminate and shall be of no further force and effect as of 12:00 noon on November 15, 2021 (“Lease Termination Date”) subject to: (i) full execution and delivery of this Agreement; (ii) full payment of the Early Termination Fee and Purchase Price as provided in Paragraph 6; and (iii) Tenant’s vacation and surrender of the Premises, delivery of the keys to the Premises to Landlord, delivery of the Tenant Assets to Landlord in the condition required herein, and the successful completion of the Walk Thru as provided in Paragraph 3.

4. TENANT’S REMAINING LEASE OBLIGATIONS: Between the date of execution of this Agreement and the Lease Termination Date: (a) Landlord shall forbear from claiming any Default under the Lease based upon Tenant’s non-payment of rent or utilities, and (b) Tenant shall remain liable for and shall perform all other covenants and obligations under the Lease. Provided that Tenant does not default in the performance of such other covenants and obligations prior to the Lease Termination Date, Landlord shall waive and release tenant from all obligations for rent otherwise due from and after June 1, 2021, and for all utility payments otherwise due for calendar year 2021.

5. PURCHASE AND SALE OF THE TENANT ASSETS. On the Surrender Date, Tenant shall sell, transfer, and deliver the Tenant Assets to Landlord, for good and valuable consideration as provided herein, by an enforceable Bill of Sale in substantially the form attached hereto and incorporated herein as Exhibit B. The Tenant Assets shall be so conveyed in “as-is” condition and free and clear of any and all liens, security interests, mortgages, chattel mortgages, encumbrances, and third-party claims.

6. LANDLORD PAYMENTS. The total of the compensation payable by Landlord to Tenant for early termination of the Lease (“Early Termination Fee”) and the purchase price for the Tenant Assets (“Purchase Price”) shall be \$300,000.00, which shall be allocated and paid as follows:

- a. **Purchase Price for Tenant Assets.** The Purchase Price shall be \$275,000.00.
- b. **Early Termination Fee.** The Early Termination Fee shall be \$25,000.00.
- c. **Payment:**
 - i. Upon full execution and delivery of this Agreement, Landlord shall pay Tenant One Hundred Thousand and No/100 Dollars (\$100,000.00) (“Partial Payment”) by certified check or wire transfer to be applied *pro rata* to the Purchase Price and the Early Termination Fee; and
 - ii. on November 16, 2021, Landlord shall pay Tenant Two Hundred Thousand and No/100 Dollars (\$200,000.00) (“Final Payment”) by certified check or wire transfer to be applied *pro rata* to the remaining balance of the Purchase Price and the Early Termination Fee,

provided there are no defaults under this Agreement on each payment date, all Tenant’s covenants, conditions, and obligations of this Agreement are fully satisfied by Tenant, and Tenant has successfully delivered the Premises back to Landlord as of the date of the Final Payment.

7. CANCELLATION OF PENDING EVENTS. Upon full execution of this Agreement, Tenant shall promptly cancel any and all events booked or reserved with Tenant through the Lease Expiration Date (December 31, 2022) (the “Pending Events”), any shall fully return all deposits made to the parties that booked the Pending Events. On or before the Surrender Date, Tenant shall deliver a certified reconciliation of the cancellation of all Pending Events and certified evidence of the return all deposits made for Pending Events, including the name and contact information of all parties for whom a Pending Event was cancelled (“Pending Event Reconciliation”). Tenant hereby warrants and represents that no

events have been booked or reserved except as set forth in the Pending Event Reconciliation delivered to Landlord. Tenant agrees to and shall indemnify, defend, and hold Landlord and Landlord's agents, officers, directors, elected officials, and employees harmless against all claims and liabilities, including, but not limited to any attorney's fees and court costs incurred by Landlord, associated with: (i) any misrepresentation or false statement made in the Pending Event Reconciliation; (ii) any and all Pending Events that were cancelled; (iii) any and all Pending Events for which cancellation failed; and (iv) any and all Pending Events not cancelled by Tenant. The terms and conditions of this Section 7 shall survive the termination of the Lease and delivery of the Premises back to Landlord.

8. TENANT REPRESENTATIONS AND WARRANTIES. Tenant represents and warrants that: (a) the Tenant Assets are free and clean of all liens, security interests, mortgages, chattel mortgages, encumbrances and third-party claims; (b) no labor has been performed, no materials have been provided, and no work has been done or is being done in, to or about the Premises which has not been fully paid for by Tenant; (c) that, as of the Effective Date, Tenant is a limited liability company duly formed and in good standing with the Secretary of State of Illinois, and (d) that the person executing this Agreement on behalf of Tenant is properly authorized to do so.

9. LANDLORD REPRESENTATIONS AND WARRANTIES. Landlord represents and warrants that (a) that Landlord has acquired all necessary approvals and authority from the Board of Trustees of Village of Buffalo Grove to enter into this Agreement and (b) that the person executing this Agreement on behalf of Landlord is properly authorized to do so.

10. RELEASE AND INDEMNIFICATION.

a. Release of Claims Between the Parties: On the Lease Termination Date:

- i. Except for any claims arising out of this Agreement, Tenant (for itself and its current and former managers, members, employees, agents, heirs, executors, and assigns) shall waive, release, and forever discharge Landlord (and Landlord's agents, officers, directors, elected officials, and employees) of from all claims Tenant had, has, or may then have against Landlord in any way arising out of or related to the Lease, except for claims arising due to or caused by any terms, covenants, conditions or obligations that expressly survive the expiration or termination of the Lease.; and
- ii. Except for any claims arising out of this Agreement or the Pending Event Reconciliation, Landlord (for itself and its agents, officers,

directors, elected officials, and employees) shall waive, release, and forever discharge Tenant (and Tenant's current and former managers, members, employees, agents, heirs, executors, and assigns) from all claims Landlord had, has, or may then have against Tenant in any way arising out of or related to the Lease, except for claims arising due to or caused by any terms, covenants, conditions or obligations that expressly survive the expiration or termination of the Lease.

b. Indemnification for Third-Party Claims: From and after the Lease Termination Date:

- i. Tenant agrees to and shall indemnify, defend, and hold Landlord harmless against any third-party claims and liabilities, including but not limited to any fines, penalties, and attorneys' fees and court costs, arising out of, due to or caused by Tenant's default or non-compliance under the Lease, Tenant's default or non-compliance under this Agreement, Tenant's violation of applicable law, Tenant's negligent or intentional acts or omissions and any third-party claims and liabilities incurred by Landlord, associated with: (i) any misrepresentation or false statement made in the Pending Event Reconciliation; (ii) any and all Pending Events that were cancelled; (iii) any and all Pending Events for which cancellation failed; and (iv) any and all Pending Events not cancelled by Tenant; and
- ii. Landlord agrees to and shall indemnify, defend, and hold Tenant harmless against any third-party claims and liabilities, including but not limited to any fines, penalties, and attorneys' fees and court costs, arising out of, due to or caused by Landlord's default or non-compliance under the Lease, Landlord's default or non-compliance under this Agreement, or Landlord's violation of applicable law, or Landlord's negligent or intentional acts or omissions.

The terms and conditions of this Section 10 shall survive the termination of the Lease and delivery of the Premises back to Landlord.

11. BROKERAGE. Landlord and Tenant represent to each other that no brokers are involved in this transaction.

12. ESTOPPEL. Tenant represents, warrants, and agrees that: (i) there exists no breach, default or event of default by Landlord under the Lease, or any event or condition which, with the giving of notice or passage of time or both, would constitute a breach, default

or event of default by Landlord under the Lease; and (ii) Tenant has no current offset or defense to Tenant's performance or obligations under the Lease except as specifically provided in Section 4 hereof.

13. ENFORCEMENT. This Agreement, and its application and interpretation, will be governed exclusively by its terms and by the internal laws of the State of Illinois. All disputes arising out of this Agreement must be submitted by appropriate petition to the Circuit Court of the nineteenth Judicial Circuit in Lake County, Illinois, and the Parties irrevocably consent to personal jurisdiction in said court and waive all objections thereto. If any provision of this Agreement, or its application to any person or circumstance, will be found invalid, illegal, or unenforceable to any extent, the remainder of this Agreement and its application will not be affected and will remain enforceable to the fullest extent permitted by law. A court may modify any such provision to the fullest extent possible to cause such provision to be enforceable.

14. MUTUAL DRAFTSMANSHIP. This Agreement is the product of negotiation and preparation by and among each Party hereto and their respective attorneys. Accordingly, all Parties hereto acknowledge and agree that this Agreement will not be deemed prepared or drafted by one Party or another, or the attorneys for one Party or another, and will be construed accordingly.

15. SURVIVAL: The provisions of Sections 7- 14 shall survive the termination of the Lease and delivery of the Premises back to Landlord.

16. COUNTERPARTS AND SIGNATURES. This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which will constitute one and the same instrument. This Agreement may be executed and delivered using facsimile or electronic mail signatures.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the Parties have executed this Asset Purchase and Lease Termination Agreement as of the date set forth hereinabove.

THE VILLAGE OF BUFFALO GROVE

PROGRESSIVE MANAGEMENT LLC

By: _____
 Name: _____
 Its: _____

By: _____
 Name: _____
 Its: _____



Ordinance No. O-2021-62 : Ordinance Authorizing the Village Manager to Execute a Lease Agreement with WJ Golf LL at the Buffalo Grove Arboretum Club

Recommendation of Action

Staff recommends approval.

Attached for the Board's consideration is a Lease Agreement with WJ Golf, LLC ("WJ") to become the new tenant at The Arboretum Club starting in early 2022. At this new location, WJ will offer indoor golf activities including private lessons, golf simulators, full-service dining, and entertainment. WJ currently has an existing facility at 1380 Busch Parkway, Buffalo Grove. WJ plans to keep this location.

ATTACHMENTS:

- BOT Memo for WJ Golf Lease 8.26.21 (DOCX)
- WJ Lease Ord(DOCX)
- Final WJ Lease 8.27.21 (DOCX)
- Arboretum (1) (PDF)

Trustee Liaison

Stein

Staff Contact

Chris Stilling, Community Development

Tuesday, August 31, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 27, 2021

TO: President Beverly Sussman and Trustees

FROM: Christopher Stilling, Director of Community Development

SUBJECT: Lease Agreement with WJ Golf LLC at the Arboretum Club

Staff Recommendation

Staff recommends that the Village Board approve a lease agreement with WJ Golf for the following reasons:

- The Village will receive significantly higher rental income. Based on the terms and escalator, over the next 10 years, the Village would gross approximately \$1,250,000 in rent. In contrast, the Village's total capital expenses and reimbursements to accommodate the lease total \$660,000 allowing for a payback period of 6 years.
- The lease will provide the Village a financially sound tenant that allows for a reinvestment of over \$900,000 into the golf course's cart paths, sand traps, greens and other building improvements.
- The increased revenue will allow for growth in the Arboretum's capital reserve.
- The proposed use retains core food and beverage service essential to the operation of the golf course, while establishing a new concept in golf entertainment.
- The proposed use will increase the utilization of the Arboretum clubhouse facility over its present use as a banquet facility.

Background

Attached for the Board's consideration is a Lease Agreement ("Agreement") with WJ Golf, LLC ("WJ") to become the new tenant at The Arboretum Club starting in early 2022. At this new location, WJ will offer indoor golf activities including private lessons, golf simulators, full-service dining, and entertainment. WJ currently has an existing facility at 1380 Busch Parkway, Buffalo Grove. WJ plans to keep this location.

Proposed Lease Terms

Attached is the Lease Agreement between the Village and WJ. The following is a summary of the proposed Agreement:

Key WJ Obligations:

- WJ will lease the property for \$125,000/year. The lease terms are for 10 years with 2 five-year options. The lease includes a 1.25% annual escalator after year 4.
- WJ will reimburse the Village 60% of the utility costs (gas, water & electric).
- Beginning on or after November 16, 2021, WJ will demolish the existing banquet space and construct eight golf simulators for training, recreational and entertainment purposes. WJ will also make improvements to the existing bar and restaurant area. This would include expanding the bar area to accommodate both WJ and Arboretum customers. Overall, WJ estimates that the total investment into the space will be more than \$700,000.
- WJ will also be responsible to operate a full-service restaurant that caters to their customers, Arboretum golfers and the public.
- At lease execution, WJ will provide the Village a cost of work deposit of \$300,000 to guarantee their performance to complete the improvements. This deposit will also provide the Village security in the event WJ were to default before they take possession of the space on November 15, 2021. The cost of work deposit will also be held during WJ's construction to ensure that work is being performed in accordance with Village codes.
- The three partners of WJ will each provide a personal guarantee of \$150,000 to ensure their performance of the lease (combined total of \$450,000) for the first 3 years. The guarantee would be reduced over time, but the combined total obligation of all partners will not be less than \$150,000 during the term of the lease.

Key Village Obligations

- The Village will provide WJ all FF&E acquired from Progressive Management Services, LLC.
- The Village will provide WJ a 50% rent reduction for the first three months.
- The Village will be responsible for both the cost and work to the windows. As proposed, the Village plans to remove all the windows along the south wall of the restaurant and replace them with sliding doors/windows to open the restaurant and bar space to the outside patio.
- The Village will also be making improvements to the patio area to increase seating options for both WJ customers, golfers and special events. The expanded patio improvements include adding planters and a fireplace.
- Staff estimates that the overall costs of the window and patio area to be approximately \$200,000.
- The Village will agree to reimburse WJ for an amount not to exceed \$460,000 for their tenant improvements and improvements to the bar/restaurant space. Reimbursements will only be made as work gets completed, passes inspections and WJ provides the necessary lien waivers showing that WJ's contractors have been paid.
- In the event the Village were to permanently close the golf course, the Village would reduce the monthly rent by 25%.
- In the event of a "Stay at Home Order" and the business must close, the Village will agree to defer up to 3-months of rent. This rent would have to be paid back once business can reopen.

Action Requested

Staff recommends that the Village Board approve the attached Ordinance authorizing the Village Manager to execute the Lease Agreement with WJ Golf, LLC, subject to the final approval by the Village Attorney.

ORDINANCE No. 2021 -__

**ORDINANCE AUTHORIZING THE VILLAGE MANAGER TO EXECUTE A LEASE
AGREEMENT WITH WJ GOLF LLC AT THE BUFFALO GROVE ARBORETUM
CLUB**

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and,

WHEREAS, the residents of the Village of Buffalo Grove and patrons of the Buffalo Grove Arboretum Club find it advantageous to have a restaurant on the Clubhouse premises; and,

WHEREAS, the Village Board has determined that it is in the best interests of the Village to authorize the Village Manager to finalize and execute a lease agreement with the WJ Golf LLC.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COUNTIES OF COOK AND LAKE, STATE OF ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby incorporated and made a part of this ORDINANCE.

SECTION 2. The Village Manager is hereby authorized and directed to execute the attached lease agreement pending final review and approval by the Village Attorney.

SECTION 3. This ordinance shall be in full force and effect from and after its passage and approval.

YES: _____

NAYS: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Village President

ATTEST:

Village Clerk

Attachment: WJ Lease Ord (O-2021-62 : Ordinance to Execute a Lease Agreement with WJ Golf LLC)

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into as of this _____ day of _____, 2021 ("Effective Date") by and between the **VILLAGE OF BUFFALO GROVE**, an Illinois home rule municipality ("Landlord"), and **WJN GOLF LLC**, an Illinois limited liability company, d/b/a "WJ Golf" ("Tenant").

WITNESSETH:

That for and in consideration of the rentals hereinafter reserved and of the mutual covenants and agreements hereinafter set forth, the parties hereto do hereby mutually agree as follows:

ARTICLE I. GRANT AND TERM

SECTION 1.01. PREMISES. The Landlord is the current legal title owner of record of the real estate commonly known as the Village of Buffalo Grove Arboretum Golf Course which contains approximately 119 acres (the "Property"). The Property is The Property contains: (i) an 18 hole golf course, (ii) a maintenance building (iii) a golf course club house building and (iv) and certain other structures. The club house facility is hereinafter known as the "Club House".

The Landlord desires to lease certain land, building and facilities located on the Property, including but not limited to the Club House, all legally described on Exhibit "A" attached hereto and made a part hereof and is cross-hatched on the site plan attached hereto as Exhibit "B" and made a part hereof, to Tenant so that Tenant may conduct on such land, building and facilities a restaurant and banquet facilities, indoor golf with golf simulators, entertainment and gaming facility that are all open to the general public, along with cart service for golfers on the golf course and related specialty items for sale. The land, building and facilities to be leased to Tenant and located and constructed on the Property or to be constructed thereon by Tenant pursuant to the terms of this Lease are collectively referred to herein as the "Premises" or the "Premises". The Premises consists of approximately _____ Thousand _____ (____) square feet of rentable area located at 401 Half Day Road, Buffalo Grove, Illinois. Tenant shall operate the restaurant and banquet facilities in a professional manner as further set forth in this Lease.

SECTION 1.02. TERM. The term of this Lease ("Term") shall be for a period of ten (10) years commencing on the Effective Date (hereinafter referred to as the "Commencement Date"), and expiring midnight on the same month and day following the expiration of the tenth (10th) full lease year after the Rent Commencement Date (as hereinafter defined) unless extended either by the exercise of an option or by written agreement of the parties or sooner terminated in accordance with the provisions hereof (the "Expiration Date"). Upon execution of this Lease, Tenant shall promptly apply for and diligently pursue the obtaining of all governmental approvals (including any and all building permits) necessary for Tenant to construct Tenant's Work (as hereinafter

defined) and for all permits, approvals and licenses, including, but not limited to all applicable entertainment, gaming, food, retail and liquor licenses, to allow Tenant to operate an indoor golf, entertainment and gaming facility with a restaurant, banquet facilities and a bar for the sale of food and liquor for on and off premises consumption at the Premises.

For all purposes of this Lease, a "lease year" shall be defined as the twelve (12) consecutive calendar months commencing on the first day of the month following the Rent Commencement Date, as hereinafter defined (unless the Rent Commencement Date is the first day of the month in which case the lease year shall commence on the Rent Commencement Date). Each subsequent lease year shall be for the twelve (12) consecutive calendar months immediately following the expiration of the prior lease year. Immediately following the determination of the Rent Commencement Date, Landlord shall provide the Tenant with a Landlord executed copy of the Opening and Termination Date Declaration in the form attached hereto as Exhibit "C", specifying the information called for in said form, for Tenant's execution.

ARTICLE II. RENT

SECTION 2.01. MINIMUM RENT.

The "Rent Commencement Date" shall be the earlier of the following to occur: (i) the date that all of the following are satisfied: (a) Landlord tenders the Premises to Tenant, (b) Landlord and Tenant substantially completes Landlord's Work and Tenant's Work to the Premises, (c) a Certificate of Occupancy is issued for the Premises and (d) Tenant opens for business in the Premises; or (ii) March 1, 2022. Tenant covenants and agrees to pay annual minimum rent ("Minimum Rent") to Landlord, in monthly installments, in advance, according to the following schedule:

LEASE YEARS	ANNUAL MINIMUM RENT	MONTHLY MINIMUM RENT
1 st Month thru and including the 3 rd Month	N/A	\$5,000.00
4th Month thru the 3 rd Lease Year	\$125,000.00	\$10,416.67
4	\$126,562.50	\$10,546.88
5	\$128,144.53	\$10,678.71
6	\$129,746.34	\$10,812.20

7	\$131,368.17	\$10,947.35
8	\$133,010.27	\$11,084.19
9	\$134,672.90	\$11,222.74
10	\$136,356.31	\$11,363.03

Tenant's first installment of Minimum Rent shall be due and payable on the Rent Commencement Date. If the Rent Commencement Date is not the first day of a calendar month, then Tenant shall pay on the Rent Commencement Date, a sum equal to the monthly installment of Minimum Rent for the first Lease Year divided by thirty (30) and multiplied by the number of days from and including the Rent Commencement Date until the first day of the first Lease Year.

SECTION 2.02. RECORDS. Tenant shall keep at the Premises or at Tenant's executive offices a full and accurate set of books and records adequately showing the amount of Tenant's Gross Sales (hereinafter defined) in each Lease Year. Such books shall be kept in accordance with generally accepted accounting principles and shall be retained by Tenant for a period of not less than three (3) years following the end of the Lease Year to which they have reference. Tenant shall furnish Landlord semi-annual sales reports within thirty (30) days after the end of each semi annual sales period. Tenant shall furnish Landlord with a statement certified by an officer of Tenant setting forth the amount of Tenant's Gross Sales during the preceding Lease Year. Whenever the term "Gross Sales" is used in this Lease, it shall mean the gross sales of Tenant derived from the Premises as determined by Tenant according to generally accepted accounting principles, for the purpose of the preparation of its financial reports. Gross Sales shall exclude the following: (i) interest, service or sales carrying charges or other charges however denominated, paid by customers for extension of credit on sales but only if such charges are not included in the merchandise sales price; (ii) fitting, alterations, repair or delivery charges at no profit to Tenant; (iii) bad debts charged off by Tenant, not to exceed 1% of Tenant's Gross Sales; (iv) proceeds from a bulk sale of all, or substantially all, of Tenant's assets; (v) insurance proceeds and/or sums and credits received in the settlement of claims for loss of or damage to merchandise or from casualty losses; (vi) sales to employees from vending machines and (vii) catalog and internet sales provided the orders from such catalog and/or internet are not received through a point of purchase register at the Premises, and are for merchandise only available through such catalog or the internet, and are not filled at the Premises.

SECTION 2.03. PAYMENTS BY TENANT. Tenant shall pay to Landlord, without demand, deductions, set-offs or counterclaims, the rent, which is hereby defined as the sum of the Minimum Rent and all Additional Rent, when and as the same shall be due and payable hereunder. Unless otherwise stated, all other sums of money or charges payable to Landlord from Tenant by this Lease are defined as "Additional Rent" and are due twenty-one (21) days after the receipt by Tenant of an invoice therefor and failure to pay such charges carries the same consequences as Tenant's failure to pay rent. All payments and charges required to be made by Tenant to Landlord hereunder shall be

payable in coin or currency of the United States of America, at the address indicated herein. No payment to or receipt by Landlord of a lesser amount than the then amount required to be paid hereunder shall be deemed to be other than on account of the earliest amount of such obligation then due hereunder. No endorsement or statement on any check or other communication accompanying a check for payment of any amounts payable hereunder shall be deemed an accord and satisfaction, and Landlord may accept such check in payment without prejudice to Landlord's right to recover the balance of any sums owed by Tenant hereunder.

SECTION 2.04. COST OF WORK DEPOSIT, BAR AREA REIMBURSEMENT AND SECURITY DEPOSIT.

Cost of Work Deposit

(a) Tenant, concurrently with the execution of this Lease, shall deposit with Landlord the sum equal to Three Hundred Thousand and NO/100 Dollars (\$300,000.00) ("Cost of Work Deposit"), in cash, which sum shall be held, subject to the terms of Section 2.04(b) hereinbelow, by Landlord as security for the full and prompt performance of each and every applicable obligation, covenant and agreement of Tenant in this Lease, including but not limited to Tenant's obligations to complete and fully pay for the cost of Tenant's Work, all supplies, materials, the cost of permits, approvals and the cost of labor used or consumed in Tenant's Work, the cost of Tenant's consultants, architects and engineers who are retained to facilitate and assist in commencing and completing Tenant's Work and the cost to obtain a final Certificate of Occupancy for the Premises. Notwithstanding anything contained herein to the contrary, prior to the Delivery of Possession Date, Landlord may draw on the Cost of Work Deposit and apply the Cost of Work Deposit in whole or in part against any applicable Default by Tenant.

(b) Subject to Tenant's compliance with any and all terms, covenants, conditions and obligations as contained in this Lease, and provided Tenant is not in default hereunder beyond any applicable notice and cure period, if any, upon the Delivery of Possession Date, the Cost of Work Deposit shall be held by Landlord only to secure Tenant's obligations to complete and fully pay for the cost of Tenant's Work, all supplies, materials, the cost of permits, approvals and the cost of labor used or consumed in Tenant's Work, the cost of Tenant's consultants, architects and engineers who are retained to facilitate and assist in commencing and completing Tenant's Work and the cost to obtain a final Certificate of Occupancy for the Premises. Upon Tenant successfully: (i) obtaining any and all Approvals and Permits, as hereinafter defined, for Tenant's Work; (ii) Tenant and Landlord agreeing on Tenant's Budget, as hereinafter defined; and (iii) Tenant successfully commencing all Tenant's Work, the Cost of Work Deposit shall be pro rata released back to Tenant by Landlord in three (3) thirty (30) day installments, and not more than once within each thirty (30) day increment. Within thirty (30) days after completion of each one third (1/3) portion of Tenant's Work, Tenant shall submit to Landlord (a) a copy of a certification of Tenant's architect that a one third (1/3) portion of Tenant's Work has been completed pursuant to Tenant's Plans approved by Landlord, and pursuant to any and all ordinances, laws, statutes and codes; (b) a sworn

affidavit from Tenant and its general contractor (if Tenant is not acting as its own general contractor) in form and substance reasonably acceptable to Landlord and Landlord's title insurance company stating (1) in reasonable detail the actual costs paid by Tenant for construction and completion of a one third (1/3) portion of the Tenant's Work, (2) the names and addresses of all architects, contractors, subcontractors or suppliers in respect of Tenant's Work, and (3) that all of the persons identified in the sworn affidavit required pursuant to clause (b)(2) have been paid in full; (c) full and final mechanic's lien waivers, in form and substance reasonably acceptable to Landlord and Landlord's title insurance company, from each person identified in the sworn affidavit required pursuant to clause (b)(2); and (d) an estoppel letter addressed to Landlord and Landlord's lender, if any, in a form provided by Landlord. Within thirty (30) days after receipt of all such items, Landlord shall pro rata release back to Tenant, a one third (1/3) portion of the Cost of Work Deposit (or lesser amount if Tenant has not expended such amount on permissible items) to Tenant, provided that at the time of payment Tenant is not in default under this Lease, is occupying the Premises, and is diligently proceeding with Tenant's Work. Landlord may deduct from any amount due to Tenant for the Cost of Work Deposit, any amount due to Landlord for upgrade work performed by Landlord and not theretofore paid by Tenant to Landlord. Notwithstanding anything contained herein to the contrary, on or after the Delivery of Possession Date, Landlord may draw on the Cost of Work Deposit and apply the Cost of Work Deposit in whole or in part against a Default by Tenant in Tenant's obligations to complete and fully pay for the cost of Tenant's Work, all supplies, materials, the cost of permits, approvals and the cost of labor used or consumed in Tenant's Work, the cost of Tenant's consultants, architects and engineers who are retained to facilitate and assist in commencing and completing Tenant's Work and the cost to obtain a final Certificate of Occupancy for the Premises. Except as provided by law, neither Landlord nor its respective successors or assigns shall be obligated to hold the Cost of Work Deposit in a separate fund but may commingle the same with other funds. The Cost of Work Deposit shall be held and released by Landlord pursuant to this Section 2.04(b) to further secure and guaranty Tenant's ability to pay for costs of Tenant's Work, including, but not limited to all supplies, materials, the cost of permits, approvals and the cost of labor used or consumed in Tenant's Work and the cost of Tenant's consultants, architects and engineers who are retained to facilitate and assist in commencing and completing Tenant's Work as evidenced by the Tenant's Budget as set forth in Section 4.06(b), hereunder. Provided Tenant is not in default hereunder as it relates to Tenant's Work only beyond any applicable notice and cure period, if any, on the date of the issuance of the final Certificate of Occupancy for the Premises, any excess balance of the Cost of Work Deposit shall be released back to Tenant by Landlord. The application of all or any portion of the balance Cost of Work Deposit may be used to cure any Default (as hereinafter defined) by Tenant in Tenant's obligations to complete and fully pay for the cost of Tenant's Work, all supplies, materials, the cost of permits, approvals and the cost of labor used or consumed in Tenant's Work, the cost of Tenant's consultants, architects and engineers who are retained to facilitate and assist in commencing and completing Tenant's Work and the cost to obtain a final Certificate of Occupancy for the Premises.

Bar Area Reimbursement.

(c) Provided that Tenant complies with the terms and conditions of this Section 2.04(c), Landlord shall reimburse Tenant an amount on account of all direct costs paid by Tenant for construction and completion of the Bar portion of Tenant's Work, including but not limited to demolition costs, electrical costs, plumbing, bar renovation, bar equipment, painting, flooring, miscellaneous doors, hardware, carpentry, HVAC modifications, plumbing supply, plumbing fixtures, electrical panels, power distribution, lighting upgrades, low voltage, design, insurance, reasonable contractor fees, safety, security and professional fees (but only including those portions of the Bar portion of Tenant's Work which result in permanent, leasehold improvements and facilitate Tenant's opening for business under the Permitted Use) in an amount not to exceed Three Hundred Thousand and NO/100 Dollars (\$300,000.00) ("Bar Area Reimbursement"). The Bar Area Reimbursement shall be used by Tenant for Tenant's Work and improvements to the bar area of the Premises, as approved by Landlord. The Bar portion of Tenant's Work shall be set forth on Exhibit "E", attached hereto and incorporated herein. Subject to Tenant's compliance with any and all terms, covenants, conditions and obligations as contained in this Lease, the Bar Area Reimbursement shall be paid in three (3) thirty (30) day installments, and not more than once within each thirty (30) day increment. Within thirty (30) days after completion of each one third (1/3) portion of the Bar portion of Tenant's Work, Tenant shall submit to Landlord (a) a copy of a certification of Tenant's architect that a one third (1/3) portion of the Bar portion of Tenant's Work has been completed pursuant to Tenant's Plans approved by Landlord, and pursuant to any and all ordinances, laws, statutes and codes; (b) a sworn affidavit from Tenant and its general contractor (if Tenant is not acting as its own general contractor) in form and substance reasonably acceptable to Landlord and Landlord's title insurance company stating (1) in reasonable detail the actual costs paid by Tenant for construction and completion of a one third (1/3) portion of the Bar portion of Tenant's Work, (2) the names and addresses of all architects, contractors, subcontractors or suppliers in respect of Tenant's Work, and (3) that all of the persons identified in the sworn affidavit required pursuant to clause (b)(2) have been paid in full; (c) full and final mechanic's lien waivers, in form and substance reasonably acceptable to Landlord and Landlord's title insurance company, from each person identified in the sworn affidavit required pursuant to clause (b)(2); and (d) an estoppel letter addressed to Landlord and Landlord's lender, if any, in a form provided by Landlord. Within thirty (30) days after receipt of all such items, Landlord shall pay a one third (1/3) portion of the Bar portion of Bar Area Reimbursement (or lesser amount if Tenant has not expended such amount on permissible items) to Tenant, provided that at the time of payment Tenant is not in default under this Lease, is occupying the Premises, and is diligently proceeding with Tenant's Work. Landlord may deduct from any amount due to Tenant for the Bar Area Reimbursement, any amount due to Landlord for upgrade work performed by Landlord and not theretofore paid by Tenant to Landlord.

Security Deposit.

(d) On the date of the issuance of the final Certificate of Occupancy for the Premises, Tenant shall deposit with Landlord the sum equal to Twenty Thousand Eight Hundred Thirty Three and 34/100 Dollars (\$20,833.34) ("Security Deposit"), which is equal to two (2) month's Minimum Rent, which sum shall be held by Landlord as security for the full and prompt performance of each and every obligation, covenant and agreement of Tenant in this Lease, including Tenant's obligations upon termination of this Lease or termination of Tenant's right to possession. Notwithstanding anything herein to the contrary, after two (2) years from the date of the issuance of the final Certificate of Occupancy for the Premises, provided that Tenant is not in default under the Lease beyond any applicable cure period, the amount of the Security Deposit required shall be reduced to Twelve Thousand and 00/100 Dollars (\$12,000.00) and Tenant, at Tenant's option, shall receive the overage of the Security Deposit back either as rent credit or a check. The Security Deposit (which shall not bear interest to Tenant) may, but need not, be applied by Landlord in order to cure any Default (as hereinafter defined) by Tenant in any of the terms, provisions, or conditions of this Lease. The Security Deposit shall be returned to Tenant by the Landlord, after deducting therefrom any sums owed to Landlord pursuant to provisions of this Lease, upon Tenant successfully performing each and every obligation, covenant and agreement required by Tenant to be performed hereunder. Should the Property or Premises be conveyed, or Landlord's interest be assigned, upon written notice to Tenant, the Security Deposit (or any portion thereof not previously applied) may be turned over or credited to Landlord's grantee or assignee as applicable, and if the same be turned over or credited as aforesaid, such grantee or assignee shall acknowledge receipt of the Security Deposit or a credit therefore, and Tenant hereby releases Landlord from any and all liability with respect to the Security Deposit or its application or return and Tenant agrees to look solely to such grantee or assignee for such application or return. A mortgagee in possession of the Premises, or any interest therein, through public or private foreclosure or the acceptance of a deed in lieu thereof, shall have no liability to Tenant for return of all or any portion of the Security Deposit, unless, and then only to the extent that, such mortgagee has acknowledged receipt of all or any portion of Tenant's Security Deposit. In the event Landlord applies the Security Deposit in whole or in part against a Default by Tenant, Tenant shall, upon written demand by Landlord, deposit sufficient funds to maintain the deposit in the then required amount. Failure of Tenant to deposit additional funds as security beyond the applicable cure period shall constitute a Default hereunder and entitle the Landlord to avail itself of the remedies provided in this Lease for non-payment of Minimum Rent by Tenant. Except as provided by law, neither Landlord nor its respective successors or assigns shall be obligated to hold the deposit in a separate fund but may commingle the same with other funds.

SECTION 2.05 PLEDGE OF FF&E FOR FURTHER SECURITY

(i) **Obligations Secured.** This Assignment is made by Tenant in favor of Landlord to collaterally secure irrevocable and unconditional payment and performance of the obligations, whether now existing or hereafter arising, by Tenant under this Lease (collectively, the "Secured Obligations").

(ii) **Assignment/Grant of Security Interest.** In order to collaterally secure the unconditional and irrevocable payment and performance of the Secured Obligations, the Tenant hereby unconditionally and irrevocably assigns, conveys, mortgages, pledges, hypothecates, transfers and sets over to Landlord, and hereby grants to Landlord a properly perfected, valid and enforceable, assignment of and continuing security interest in Tenant's FF&E. Notwithstanding the above, for so long as an Event of Default pursuant to the Lease has not occurred beyond applicable notice and cure periods as contained in the Lease, Tenant shall have the license and right exercise any and all rights to use the FF&E in the ordinary course of business at the Premises. The FF&E may not be sold, transferred, conveyed, misused, or disposed except as disposed of and replaced in the normal course of operating the business with new FF&E that is the same kind or substantially similar in kind to the disposed FF&E upon notice to but without the prior consent and approval of Landlord. This Collateral Assignment is intended to be a security agreement under the Uniform Commercial Code with respect to all or any portion of the FF&E to the full extent that, under applicable law, the FF&E may be subject to a security interest under the Code, whether acquired as of the date of this Assignment or in the future. Upon Tenant successfully performing each and every obligation, covenant and agreement required by Tenant to be performed hereunder, and provided Tenant is not in default hereunder beyond any applicable notice and cure period, after three (3) years from the Effective Date, this Assignment and this Assignment Pledge and Security Agreement shall automatically be null and void and of no further force or effect and Landlord shall reassign to Tenant, by quitclaim assignment and shall agree to a recordable termination of any UCC filing perfecting this Assignment (all such documents being collectively referred to herein as "Buffalo Grove Security Interest Termination Documents"), and all of its rights to the FF&E.

(iii) **Financing Statements.** Tenant hereby authorizes Landlord to file concurrently with the execution of this Assignment such UCC Financing Statements in such locations as are necessary, and to take all such other actions and make such further filings as Landlord may request, in order to perfect Landlord's continuing security interest in the FF&E pursuant hereto. The Financing Statement shall be in form acceptable for filing in each jurisdiction in which the same are to be filed, shall comply in all respects with the Code and shall contain a description of "Collateral" that is substantially similar to the description set forth on attached Exhibit A of the Pledge, defined hereunder.

(iv) **Pledge** Concurrently with Tenant's execution of the Lease, Tenant hereby agrees to and shall execute the Assignment, Pledge and Security Agreement ("Pledge"), a copy of which is attached hereto and incorporated herein as Exhibit K. In the event any of the terms and/or conditions of the Lease conflict with the terms and/or conditions of the Pledge, Landlord and Tenant hereby understand and agree that the terms and/or conditions of the Pledge shall control.

SECTION 2.06. LATE CHARGE. In the event any sums required hereunder to be paid are not received on or before the tenth (10th) calendar day after the same are due for the second (2nd) time in any calendar year, then, Tenant shall immediately pay, as Additional Rent, a late payment service charge equal to five percent (5%) per month of the amount required to be paid. Payment of the late payment service charge shall not in

and of itself abrogate a Default under this Lease. In addition, any amount due hereunder shall bear interest from the date due until said past due amount shall be paid by Tenant to Landlord at a rate equal to two percent (2%) above the prime rate in effect from time to time as announced by JP Morgan Chase & Co. (or its successor), as its prime lending rate from time to time, which rate shall change when and as said corporate base rate changes but which rate shall not be in excess of any maximum interest rate permitted by law (the "Default Rate"). If at any time during the Term, JP Morgan Chase & Co. or a successor does not exist, then the parties shall use the corporate base rate announced by the largest bank, measured by net worth, headquartered in the City of Chicago, Illinois.

ARTICLE III. OPTION TO EXTEND

SECTION 3.01. OPTION TO EXTEND. Provided Tenant is not then in default under the terms of this Lease, Landlord grants Tenant the right, privilege, and option to extend this Lease for two (2) periods of five (5) years each upon the same terms and conditions contained in this Lease, upon notice in writing to Landlord of Tenant's intention to exercise each such option, given at least one hundred eighty (180) days prior to the end of the initial ten (10) year term or the immediate prior extension term.

SECTION 3.02. OPTION RENT.

(a) **Option Minimum Rent.** In the event Tenant exercises the first Option to extend the Term provided for herein, Tenant covenants and agrees to pay to Landlord annual Minimum Rent, in monthly installments on the first day of each month in advance, according to the following schedule:

LEASE YEARS	ANNUAL MINIMUM RENT	MONTHLY MINIMUM RENT
11	\$138,060.76	\$11,505.06
12	\$139,786.52	\$11,648.88
13	\$141,533.85	\$11,794.49
14	\$143,303.02	\$11,941.92
15	\$145,095.11	\$12,091.26

In the event that Tenant exercises its second (2nd) Option to extend the Term provided for herein, Tenant covenants and agrees to pay to Landlord annual Minimum Rent, in monthly installments on the first day of each month in advance, according to the following schedule:

LEASE YEARS	ANNUAL MINIMUM RENT	MONTHLY MINIMUM RENT
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16	\$146,908.80	\$12,242.40
17	\$148,745.16	\$12,395.43
18	\$150,604.47	\$12,550.37
19	\$152,487.02	\$12,707.25
20	\$154,393.11	\$12,866.09

ARTICLE IV. PREPARATION OF PREMISES

SECTION 4.01. SITE PLAN. Exhibit “B” sets forth the general layout of the Property, including the land and building containing the Premises, as marked, and the Outdoor Seating Area. Landlord may change or alter any portion of the golf course or any buildings, common areas (as hereafter defined) or any other aspect of the Property, except for the Premises, or may sell or lease all, or any portions of the Property, except for the Premises, all with prior written notice to, but without the consent of Tenant.

SECTION 4.02. LANDLORD'S WORK. Landlord, at its expense, has constructed the building wherein the Premises are to be located and deliver the Premises to Tenant substantially in accordance with the “Outline Specifications” attached hereto and made a part hereof as Exhibit “E”, including, but not limited to Landlord’s Work building the glass wall, work on the bar/patio area and the windows (hereinafter referred to as “Landlord’s Work”). Except for Landlord’s Work, all other work done by Landlord at Tenant’s request (“Upgrade Work”) shall be at Tenant’s expense and shall be paid by Tenant within thirty (30) days after receipt by Tenant of a bill for such work and shall constitute Additional Rent if not timely paid, unless otherwise specified in this Lease. Tenant shall, on or before the date which is ten (10) days after Landlord’s request therefore, deliver to Landlord such information as may reasonably be requested by Landlord (e.g., a fixture plan and base sheets relative to the Premises), so that Landlord may be enabled to complete Landlord’s Work in a manner that is consistent with Tenant’s specific requirements. It is understood and agreed that delay by Tenant in furnishing requested information may result in a commensurate, permitted delay in the performance of Landlord’s Work.

SECTION 4.03. PERMIT CONTINGENCY PERIOD. This Lease shall be contingent upon Tenant obtaining: (i) all necessary permits, licenses and approvals for Tenant’s Work and for Tenant’s operations at the Premises which are issued by the Village of Buffalo Grove, Illinois, (ii) Tenant’s liquor license from the Village of Buffalo Grove, Illinois for the on-premises sale and off-premises consumption of liquor, beer, wine and other alcoholic beverages, (iii) the building permit from the Village of Buffalo Grove, Illinois for Tenant’s Work, (iv) Tenants food license for sale of food for on and off Premises consumption from the Village of Buffalo Grove, Illinois, (v) any and all required gaming licenses and permits from the Village of Buffalo Grove, Illinois, necessary to allow for on site video gaming, as a licensed establishment licensed by the Illinois Gaming Board pursuant to the Illinois Video Gaming Act, 230 ILCS 40/Article 5, et seq. (the “Video

Gaming Act”), and (vi) any signage licenses and permits from the Village of Buffalo Grove, Illinois (collectively, the “Approvals and Permits”) within _____ (____) days after the Effective Date (the “Permit Contingency Period”). Tenant hereby agrees to and shall file all required applications and pay all applicable fees to begin the process to obtain the Approvals and Permits on or before thirty (30) days after the Effective Date. Tenant shall use best efforts to obtain the Approvals and Permits on or before the expiration of the Permit Contingency Period. Landlord agrees to reasonably cooperate with Tenant in its pursuit of the Approvals and Permits at no cost to Landlord. In the event, after using best efforts, Tenant is unable to obtain the required Approvals and Permits, Tenant shall have the right, during the Permit Contingency Period, to terminate this Lease by delivery of written notice to Landlord, in which event except as provided below, and provided Tenant is not in default hereunder beyond any applicable notice and cure period, Landlord shall thereafter return the Three Hundred Thousand and 00/100 Dollars (\$300,000.00) Cost of Work Deposit and the Security Deposit to Tenant within thirty (30) days and the parties shall have no further rights or obligations to the other hereunder. If Tenant does not deliver written notice to Landlord of its election to terminate this Lease prior to the expiration of the Permit Contingency Period, then the conditions of this Section shall be deemed to have been fully satisfied, and Tenant shall have no further right to terminate this Lease under this Section 4.03.

SECTION 4.04. CONSTRUCTION ALLOWANCE.

(a) Provided that Tenant complies with the terms and conditions of this Section 4.04, Landlord shall pay to Tenant a one time allowance on account of all direct costs paid by Tenant for construction and completion of Tenant’s Work, including but not limited to demolition costs, electrical costs, painting, flooring, design, miscellaneous doors, hardware, carpentry, HVAC modifications, plumbing supply, plumbing fixtures, electrical panels, power distribution, lighting upgrades, low voltage, design, insurance, reasonable contractor fees, furnishing the Outdoor Seating Area, safety, security and professional fees (but only including those portions of Tenant’s Work which result in permanent, leasehold improvements and facilitate Tenant’s opening for business under the Permitted Use) in an amount not to exceed One Hundred Sixty Thousand and NO/100 Dollars (\$160,000.00) (the “Construction Allowance”).

Within sixty (60) days after completion of all of Tenant’s Work, Tenant shall submit to Landlord (a) a copy of the final, unqualified Certificate of Occupancy for the Premises; (b) a sworn affidavit from Tenant and its general contractor (if Tenant is not acting as its own general contractor) in form and substance reasonably acceptable to Landlord and Landlord’s title insurance company stating (1) in reasonable detail the actual costs paid by Tenant for construction and completion of Tenant’s Work, (2) the names and addresses of all architects, contractors, subcontractors or suppliers in respect of Tenant’s Work, and (3) that all of the persons identified in the sworn affidavit required pursuant to clause (b)(2) have been paid in full; (c) full and final mechanic’s lien waivers, in form and substance reasonably acceptable to Landlord and Landlord’s title insurance company, from each person identified in the sworn affidavit required pursuant to clause (b)(2); and (d) an estoppel letter addressed to Landlord and Landlord’s lender, if any, in a form

provided by Landlord. Within fifteen (15) days after receipt of all such items, Landlord shall pay the Construction Allowance (or lesser amount if Tenant has not expended such amount on permissible items) to Tenant, provided that at the time of payment Tenant is not in default under this Lease, is occupying the Premises, is then open for business and has commenced paying Minimum and Additional Rent as contemplated by this Lease. Landlord may deduct from any amount due to Tenant for the Construction Allowance, any amount due to Landlord for upgrade work performed by Landlord and not theretofore paid by Tenant to Landlord.

SECTION 4.05. POSSESSION CONTINGENCY/DELIVERY OF POSSESSION DATE.

(a) Possession Contingency. Landlord and Tenant acknowledge and agree that as of the Effective Date, a tenant is in possession of the Premises pursuant to a lease with Landlord. Landlord and Tenant agree that this Lease is expressly conditioned upon Landlord's obtaining exclusive possession of the Premises (hereinafter "Possession Contingency"). Landlord shall use commercially reasonable efforts to obtain exclusive possession of the Premises. In the event Landlord is unable to satisfy the Possession Contingency and obtain exclusive possession of the Premises on or before November 16, 2021 ("Possession Termination Date"), Landlord and Tenant shall have the right to terminate this Lease by giving written notice thereof to the other party within ten (10) days after the Possession Termination Date and thereupon this Lease shall be null and void *ab initio*. Landlord shall thereafter return the Three Hundred Thousand and 00/100 Dollars (\$300,000.00) Cost of Work Deposit and the Security Deposit to Tenant within thirty (30) days thereafter. In the event of termination pursuant to this Section 4.05(a), within thirty (30) days after the Possession Termination Date Landlord shall also reimburse Tenant for all reasonable costs expended by Tenant in relation to preparation of architectural and engineer drawings and obtaining of the permits (collectively "A&E Costs"), provided Tenant delivers the following to Landlord: (a) a sworn affidavit from Tenant in form and substance reasonably acceptable to Landlord stating (1) in reasonable detail the actual costs paid by Tenant for preparation of architectural and engineer drawings and obtaining of the permits, (2) the names and addresses of all architects, engineers, consultants and attorneys involved in the preparation of architectural and engineer drawings and obtaining of the permits, and (3) that all of the persons identified in the sworn affidavit required pursuant to clause (a)(2) have been paid in full; (b) full and final mechanic's lien waivers, in form and substance reasonably acceptable to Landlord from each person identified in the sworn affidavit required pursuant to clause (a)(2). Notwithstanding anything contained herein to the contrary, the A&E Costs reimbursed by landlord to Tenant shall not exceed Fifteen Thousand and 00/100 Dollars (\$15,000.00) ("A&E Costs Reimbursement Cap"). In the alternative, Landlord and Tenant may mutually agree to extend the Possession Termination Date, in which event the Rent Commencement Date shall be extended by the number of days of such extension of Possession Termination Date. Landlord shall give Tenant written notice within one (1) day after Landlord obtains exclusive possession of the Premises. Once Landlord has tendered possession of the Premises to Tenant, Landlord shall no longer have the right to cancel and terminate this Lease pursuant to this Section 4.05(a).

(b) Provided the Contingency set forth in Section 4.05(a) is satisfied, Landlord and Tenant shall execute a Delivery of Possession Date Certificate substantially in the form of Exhibit "D" attached hereto and made a part hereof. The date specified in such Certificate as the date on which the Premises have been delivered to Tenant shall be the "Delivery of Possession Date". Tenant agrees to take physical possession of the Premises on the date Landlord tenders possession of the Premises to Tenant. From and after the Delivery of Possession Date, Tenant agrees to diligently perform Tenant's Work. The Delivery of Possession Date is estimated by Landlord to be on or about, provided, however, Landlord and Tenant acknowledge, understand and agree that November 16, 2021 is simply an estimate and Landlord shall be under no contractual or lease obligations, and Landlord shall not be liable to Tenant for any penalty, damages, claims, liabilities, injuries fees or costs in excess of the A&E Costs Reimbursement Cap, in the event this prospective date is not met and the Premises are delivered after November 16, 2021.

SECTION 4.06. TENANT'S WORK. (a) Tenant's Budget Tenant shall prepare cost estimating and budgeting for Tenant's Work, including, without limitation, obtaining permits and approvals, cost of Tenant's consultants, architects and engineers who are retained to facilitate and assist in commencing and completing Tenant's Work, cost of all supplies, materials and labor used or consumed in Tenant's Work consulting, value engineering analysis, reviewing the Tenant's drawings, plans and specifications for Tenant's Work, obtaining current prices and bids, preparing cost estimates and attending meetings and otherwise as reasonably required to commence and complete Tenant's Work (collectively "Tenant's Budget"). On or before October 1, 2021, Tenant shall deliver a copy of Tenant's Budget to Landlord for review, comment and approval. Landlord shall approve or disapprove the proposed Tenant's Budget within ten (10) days of receipt thereof and if Landlord disapproves Landlord will specify the required changes in writing. Tenant shall continue to revise Tenant's Budget for Tenant's Work and submit such revised Tenant's Budget to Landlord for Landlord's approval until Landlord approves Tenant's Budget, which approval shall not be unreasonably withheld or delayed.

(b) Tenant agrees to construct and alter the Premises into an entertainment, gaming, food and retail center to allow Tenant to operate an indoor golf, entertainment and gaming facility with a restaurant, banquet facilities and a bar for the sale of food and liquor for on and off premises consumption at the Premises. Tenant shall be responsible for any and all improvements on the interior of the Premises designated as the indoor golf, entertainment and gaming facility portion of the Premises. Tenant shall install such Furniture, fixtures, simulators, enclosures and related revenue generating equipment necessary for the operation of a WJ Golf facility. All work that is to be performed by Tenant to the Premises is to be done by Tenant at Tenant's expense (hereinafter referred to as "Tenant's Work"), unless otherwise specified herein, in accordance with Exhibit "E" attached hereto and made a part hereof and in accordance with the provisions of this Section 4.06 and Section 4.08. All entry onto the Premises and work done by Tenant shall be at Tenant's sole risk. All work performed by Tenant, including, without limitation, building location, design, elevations, height and signage, shall be subject to Landlord's prior written approval, including, but not limited to, written approval of Tenant's plans and specifications as prepared by an independent professional architect. Tenant shall submit

the plans for Tenant's Work to Landlord on a disc in AutoCAD format on or before thirty (30) days after the Effective Date. Landlord shall approve or disapprove of said plans within twenty-one (21) days of receipt thereof and if Landlord disapproves Landlord will specify the required changes in writing. Tenant shall continue to revise the plans for Tenant's Work and submit such plans to Landlord for Landlord's approval until Landlord approves Tenant's plans which approval shall not be unreasonably withheld or delayed. Tenant will obtain and give Landlord copies of all building permits from all governmental authorities having jurisdiction thereof prior to performing Tenant's Work. Landlord shall not have any liability or responsibility if Tenant's Work does not comply with applicable laws, rules and ordinances and Tenant acknowledges that Tenant is responsible for such compliance regardless of Landlord's approval of Tenant's plans. Tenant's Work shall be performed in accordance with good construction practices, free and clear of liens, all applicable laws and Landlord's insurance requirements as set forth in Section 4.08(b), Section 9.02 and Exhibit "H", hereinbelow. Tenant will indemnify and hold Landlord harmless from any liability, damages, liens, loss, costs, expenses, causes of action and attorneys' fees arising from or resulting from or related to Tenant's Work. Further, Landlord shall have no responsibility or liability for any loss or damage to any property belonging to Tenant. Tenant agrees to pay for all utilities at the Premises, and to pay for all utilities used or consumed in the Premises by Tenant from January 1, 2022. Tenant shall obtain at Tenant's sole expense all certificates, approvals and permits which may be necessary so that a certificate of occupancy for the Premises may be issued. Copies of all such certificates shall be delivered to Landlord upon receipt by Tenant. Additionally, Tenant shall deliver to Landlord, either before Tenant's Work commences or as it progresses, as the case may be, true and accurate executed copies of the following: (i) any and all construction contracts for all Tenant's Work; (ii) the Budget for Tenant's Work; (iii) any and all Contractor's Sworn Statements for Tenant's Work; (iv) any and all change orders for Tenant's Work, (iv) any and all partial and final lien waivers for Tenant's Work. Upon completion of Tenant's Work Tenant shall have as-built construction drawings of the interior space prepared in autocad and hard copies and deliver both to Landlord.

SECTION 4.07 TENANT'S FURTHER CONTRIBUTION. Immediately following the expiration or waiver of the Possession Contingency Period and the Permit Contingency Period, Tenant shall purchase from Landlord the current restaurant equipment, and dining room furniture of the Arboretum Club (collectively "FF&E") in the "As Is", "Where Is" condition with all faults as of June 1, 2021. Landlord agrees to sell, transfer, assign, convey and deliver to Tenant the FF&E by executed Bill of Sale, for an amount equal to One and No/100 Dollars (\$1.00) ("FF&E Payment"), paid to Landlord by immediately available federal funds by wire transfer. Landlord has and will have good and valid title to the FF&E, free and clear of all liens, claims, security interests, mortgages and encumbrances.

SECTION 4.08. SUBSEQUENT ALTERATIONS BY TENANT.

(a) After completion of Tenant's Work, Tenant shall not make any alterations to the Premises the cost of which exceeds Five Thousand and No/100 Dollars (\$5,000.00), during Term without Landlord's consent. Tenant shall not make any alterations to the

exterior of the Premises or which affect the structure of the Premises. Tenant may not make any interior structural, mechanical, plumbing, electrical and/or non-structural subsequent changes, modifications or alterations to the Premises, without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld or delayed. Any and all alterations pre-approved by Landlord shall be performed by Tenant in a first-class and workmanlike manner and in accordance with all applicable legal and insurance requirements and the terms and provisions of this Lease.

(b) Prior to the commencement of any work by Tenant which has been pre-approved by Landlord (including, without limitation, Tenant's Work), in addition to the insurance maintained by Tenant under Section 9.02, Tenant shall (i) obtain all insurance described in Exhibit "H" attached hereto, require all contractors and subcontractors performing work at the Premises on behalf of or at the direction of Tenant to obtain the insurance described in Section (b) of Exhibit "H" attached hereto, and shall deliver duplicate originals of all certificates of such insurance to Landlord for written approval, (ii) furnish Landlord with all necessary permits, licenses, approvals, certificates and authorizations for prosecution and completion of the work, and (iii) furnish Landlord with such other documents as may be reasonably requested by Landlord. Additionally, Tenant shall deliver to Landlord, either before such additional work commences or as it progresses, as the case may be, true and accurate executed copies of the following: (i) any and all construction contracts for all such additional work; (ii) the budget for such additional work; (iii) any and all Contractor's Sworn Statements for such additional work; (iv) any and all change orders for such additional work and (iv) any and all partial and final lien waivers for such additional work.

(c) No promise of Landlord to alter, remodel, improve, repair, decorate or clean the Premises or the Exterior Areas, or any part thereof, and no representation respecting the condition of the Premises or the building containing the Premises or the Exterior Areas has been made to Tenant by Landlord, except as specifically set forth in this Lease. Tenant hereby expressly acknowledges that Landlord has made no representations or warranties, express or implied, as to the design or adequacy of (i) the building containing the Premises for use as a restaurant, bar, banquet or entertainment or indoor golf facility or (ii) the Premises for the use set forth in Section 5.01(a), and any such representation or warranty, statutory or otherwise, is hereby waived by Tenant.

SECTION 4.09. LIEN CLAIMS. Tenant shall not permit any lien or claim for lien for any mechanic, laborer or supplier or any other lien to be filed against the Building, Land, the Premises, or any part thereof arising out of work performed, or alleged to have been performed by, or at the direction of, or on behalf of Tenant. In the event that any such lien or claim is filed against the Building, Land, the Premises, or any part thereof as a result of any work or act of Tenant or anyone claiming by or through Tenant, Tenant, at Tenant's expense, shall discharge or bond over the same within thirty (30) days after receipt of notice by Tenant, or refusal of notice by Tenant. If Tenant fails to discharge or bond over, with an appropriate bond reasonably acceptable to Landlord, said mechanic's lien, Landlord may bond over or pay the same without inquiring into the validity or merits of such lien. Said lien and all sums so advanced by Landlord, including Landlord's

expenses and attorneys' fees, shall be paid on demand by Tenant as Additional Rent.

SECTION 4.10. AMERICANS WITH DISABILITIES ACT.

(a) Tenant shall construct Tenant's Work and operate its business in compliance with the requirements of Title III (Public Accommodations) of the Americans with Disabilities Act of 1990 ("ADA").

(b) Tenant represents and covenants that it shall conduct its occupancy and use of the Premises in accordance with the ADA (including, but not limited to, modifying its policies, practices and procedures and providing auxiliary aids and services to disabled persons).

(c) Tenant agrees that all of Tenant's Work (and any other work performed in and about the Premises by Tenant, Tenant's employees, agents or contractors) shall comply with the ADA and, upon request of Landlord, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that Tenant's Work was performed in compliance with the ADA. Furthermore, Tenant covenants and agrees that any and all future alterations or improvements made by Tenant to the Premises shall comply with the ADA. Tenant agrees to save, indemnify and hold Landlord, Landlord's managing agent, any and all mortgagees and their respective agents, beneficiaries, partners, officers, servants and employees harmless against all claims and liabilities, including but not limited to any fines, penalties and attorneys' fees, arising from noncompliance of the Premises with the ADA.

(d) Landlord shall be required to cause the parking areas and common areas associated with the Premises to comply with ADA.

ARTICLE V. CONDUCT OF BUSINESS

SECTION 5.01. USE AND TRADE NAME.

(a) Tenant shall use and occupy the Premises for the following purposes and for no other use or purpose: the operation of an indoor golf, entertainment & gaming facility, with a restaurant, bar and banquet facilities, along with related specialty items for retail sale. In addition, the operation will provide food service and alcoholic beverages to both indoor and outdoor golf patrons, including cart service providing food and beverage cart delivery to golfers on the golf course, which is off Premises, as well as participants in outdoor golf events held at the Arboretum Golf Course. The facility will have up to 6 gaming parlor machines and may offer to the public both dine-in and carry out food, as well as delivery. Tenant shall make available the use of golf simulators during the hours of operation of the Arboretum Golf Course. The demise to Tenant hereunder shall also include, at no additional rent, the exclusive use of the outdoor seating area, the approximate location of which is shown on Exhibit "B" attached hereto ("Outdoor Seating Area"). Tenant shall be permitted to use the Outdoor Seating Area, provided (a) the tables do not block or unreasonably impede the flow of pedestrian traffic, (b) the tables do not block or unreasonably impede the business of the adjoining golf course, (c) Tenant meets

all applicable laws, rules, regulations and ordinances pertaining to such outdoor seating use, (d) Tenant provides Landlord with evidence that Tenant's liability insurance policy required under this Lease provides coverage for the outside tables and the surrounding sidewalk area, (e) the tables and the surrounding sidewalk area are maintained by Tenant in a clean, neat and attractive condition and Tenant repairs any damage to the Outdoor Seating Area caused by Tenant's use of the Outdoor Seating Area, and (f) Tenant does not violate any other provisions of this Lease. Tenant shall be permitted to use the Outdoor Seating Area solely as an outdoor café and to place in the Outdoor Seating Area tables and chairs and an umbrella with each table (the style of which must be reasonably approved by Landlord), in all cases without payment of any rent other than the Rent and other charges payable under this Lease. Tenant shall provide, at its sole cost, the tables, chair and umbrellas to be used in the Outdoor Seating Area. Tenant shall keep the Outdoor Seating Area clean and free of trash and repair any damage caused by Tenant's use of the Outdoor Seating Area. Tenant shall not store tables and chairs in the Outdoor Seating Area when Tenant's store is not open for business or when Tenant is not using the Outdoor Seating Area as an outdoor café. The foregoing Section 5.01(a) shall be hereinafter referred to as Tenant's "Permitted Use".

Further, and in no way expanding the use clause set forth in the preceding section, Tenant shall in no event allow the Premises to be utilized for any of the Prohibited Uses or in violation of any exclusive set forth in Exhibit "G" attached hereto.

(b) Tenant shall operate its business from the Premises under the following trade name only and under no other trade name: "WJ Golf" or any other name designated for the restaurant/bar facility by the Tenant, as approved by Landlord, in its commercially reasonable discretion.

(c) Tenant hereby acknowledges receipt of a Title Commitment from Chicago Title Insurance Company, File No. CCHI2105923LD for the Premises, for Tenant's review. Tenant hereby agrees to be bound by all terms and conditions of the Recorded Documents against the Premises recorded in the office of the Recorder of Deeds of Lake County, Illinois (collectively "Recorded Documents"); that this Lease is subordinate and subject to any Recorded Documents; that, in the event of a conflict between the terms and conditions of the Recorded Documents and the terms and conditions of this Lease, the terms and conditions of the Recorded Documents shall govern and control.

(d) EXCLUSIVE - Provided and only so long as Tenant is not in default under this Lease, and so long as Tenant is operating its business for the Permitted Use, Landlord shall not enter into a lease with another tenant on the Property owned by Landlord wherein the primary use of such tenant is a store which specializes in and has as its Primary Business and primary product line the Permitted Use ("Exclusive Use"). In the event the Tenant does not use the Premises for the Exclusive Use for six (6) consecutive months (subject to extension for six (6) additional months for a closing of the Premises due to a casualty at the Premises or any events of Force Majeure Delay, hereinafter defined) the restrictions under this Section 5.1(d) shall be null and void and of no further force or effect.

SECTION 5.02. OPENING; ESTOPPEL CERTIFICATE. Tenant agrees to be fully stocked and shall open for business to the public on or before _____ (_____) days after the Effective Date. From time to time and upon ten (10) days written notice, Tenant agrees to execute and deliver a written acceptance/estoppel certificate confirming that Tenant has accepted the Premises and such other facts relative to this Lease as Landlord or any mortgagee of the Land may request to be confirmed. If Tenant fails to timely execute such certificate, it shall be conclusively determined that except as stated by Landlord in the acceptance/estoppel certificate, that:

(a) this Lease has been duly authorized and executed by Tenant and is in full force and effect and that the Lease has not been changed, altered, amended or modified;

(b) the rentable area of the Premises is as set forth in the Lease;

(c) the annual amount of Minimum Rent payable under the Lease is as set forth in the Lease;

(d) Tenant has accepted possession of the Premises and is in actual, full and complete possession thereof and that all improvements to have been provided by Landlord pursuant to the Lease have been completed in accordance with the requirements of the Lease and have been fully accepted by Tenant and that Tenant is not entitled to any payment or credit on account of Tenant's Work or specify the amount due Tenant;

(e) Except as may be permitted under this Lease, Tenant's interest under the Lease has not been assigned by operation of law or otherwise and that no sublease covering the Premises or any portion thereof has been entered into by Tenant;

(f) there are no defaults by either Landlord or Tenant under the Lease or events which with the giving of notice or passage of time or both could become defaults or Tenant shall specify such defaults or events.

SECTION 5.03. UTILITIES. (a) Tenant, at its expense, shall arrange for and pay all costs for all utilities and services provided or used in or at the Premises, including, but not limited to water, gas, heat, light, power, sewer charges, internet /telephone service and all other services and utilities, commencing on January 1, 2022 and continuing through the end of the Term of this Lease. Tenant shall pay directly to the public utility companies, the cost of any installation of any and all such additional utility services. If any such services are not separately metered to Tenant, Tenant shall pay sixty percent (60%) as reasonably determined by Landlord and Landlord providing to Tenant actual invoices from the utility companies thereof which Landlord receives, upon request, for all charges jointly metered within the Premises and the building containing the Premises. The installation, maintenance of any utility separate from the shared utilities and use of any such service shall be at Tenant's sole expense. Tenant agrees to

indemnify and hold harmless Landlord from and against any and all claims arising from the installation and maintenance of such separate utility and other services and from all costs and charges for utilities consumed on, in or by the Premises. In the event of a utility interruption caused by the gross negligence of Landlord, its agent, employees or representatives that renders Tenant's business totally inoperable for two (2) consecutive days, the Rent and Additional Rent shall be equitably abated for the number of days until the date such utilities are restored..

(b) If Tenant desires telegraphic, burglar alarm, computer installations or signal service, Landlord shall, upon request, direct the location and method of all connections and wiring, if any, for such service. The installation, maintenance and use of any such service shall be at Tenant's sole expense. Notwithstanding anything contained herein to the contrary, Landlord shall provide access to Copper High Speed Internet, to an access point in the building containing the Premises. If no current access for Copper High Speed Internet exists today, Landlord will provide such access at its cost.

SECTION 5.04. SIGNS.

(a) Tenant shall be allowed to display "Coming Soon" or "Grand Opening" banners on or near the Premises within thirty (30) days prior to Tenant opening for business. All signs and banners of Tenant must be professionally made and comply with all applicable governmental laws, ordinances, codes and Landlord's sign criteria.

(b) Tenant may install such signage as Tenant deems commercially reasonable, including, but not limited to signage sufficient to advertise Tenant's location on Half Day Road, provided, however, all of Tenant's signage shall comply with all existing ordinances of the Village of Buffalo Grove, Illinois ("Village"). Tenant's signs shall be consistent with the specifications and requirements contained in Exhibit "F" attached hereto. Tenant shall pay for all costs in connection with its signs and shall be responsible for the cost of proper installation and removal thereof and any damage caused to the Premises thereby.

SECTION 5.05. TENANT'S WARRANTIES AND OBLIGATIONS. Tenant warrants, represents, covenants and agrees to and with Landlord, that throughout the Term hereof Tenant shall: (i) keep the Premises and all components thereof, including the interior, non-structural walls, floors, and the fixtures, displays, show windows, entranceways, signs, and any platform or loading dock used by Tenant clean, neat, sanitary and safe and in good order, repair and condition (including all necessary replacements, painting and decorating), and shall keep all glass in doors and windows (except Tenant shall not be responsible for the repair and replacement of the glass in the Common Area, including front and back entrances and the vestibule area) clean and in good condition and shall replace promptly all glass which may become damaged or broken with glass of the same quality, ordinary wear and tear and damage by fire or other casualty covered by collectible proceeds of Landlord's insurance excepted; (ii) pay, before delinquent, any and all taxes, assessments and public charges imposed upon Tenant's business or fixtures, and pay when due all fees of similar nature; (iii) observe all restrictive covenants of record which are applicable to the Property, if any; (iv) not use

the parking areas or sidewalks or any space outside the Premises for display, sale, storage, or any other similar undertaking, (v) not use any advertising medium or sound devices inside the Premises which may be heard outside the Premises, or permit any objectionable odors to emanate from the Premises; (vi) keep the Premises sufficiently heated to prevent freezing of water in pipes and fixtures in and about the Premises; (vii) keep the temperature within the Premises at such levels as may be required by any federal, state or local laws, ordinances, or regulations, (viii) comply and require all of Tenant's employees, agents, concessionaires, licensees and invitees to comply with all laws, ordinances, orders and governmental regulations, and with the directions of any public officer authorized by law, with respect to the Premises and the use and occupancy thereof; conduct its business at all times in a businesslike and reputable manner; (xi) install and maintain such specialized fire protection devices, excluding the fire sprinkler system which Landlord is responsible to maintain, as may be required by any governmental body or insurance underwriter for the Premises due to or caused by Tenant's Permitted Use; (xii) keep the Premises free from insects and vermin and contract for regularly scheduled extermination service at such times and with such contractors as Landlord shall approve in writing; (xiii) employ only such labor in the performance of any work in and about the Premises as will not cause any conflict or controversy with any labor organization representing trades performing work for Landlord, its contractors or subcontractors; and (xiv) not dispose of, or use without the prior express written consent of Landlord, any hazardous substance or material as defined by any federal or state law, statute or ordinance, and any regulations promulgated thereunder, as exist as of the date of this Lease and as may be enacted in the future.

SECTION 5.06. LEGAL REQUIREMENTS. Tenant shall, at its own expense, comply with all laws, orders, ordinances and with directions of public officers thereunder, with all applicable Board of Fire Insurance Underwriters regulations and other requirements and with all notices from Landlord's mortgagee respecting all matters of occupancy, condition or maintenance of the Premises, whether such orders or directions shall be directed to Tenant or Landlord, and Tenant shall hold Landlord harmless from any and all costs or expenses on account thereof. Tenant shall procure and maintain all licenses and permits legally necessary for the operation of Tenant's business and allow Landlord to inspect them on request.

SECTION 5.07. USE OF HAZARDOUS MATERIALS. (a) Tenant may not cause or permit Hazardous Materials to be brought upon, kept and used in, on or about the Premises without the prior written approval of Landlord which approval Landlord may withhold in its sole discretion, except for such Hazardous Materials used as cleaning supplies reasonably necessary or useful to Tenant's business and provided Tenant complies with all Environmental Laws and other laws controlling or governing the handling, manufacturing, treatment, storage, disposal, discharge, use and transportation of those Hazardous Materials, except that Tenant shall be permitted to use commercial cleaning solutions customarily used in the restaurant industry. In the event said approval is granted by Landlord, Tenant must thereafter obtain the additional prior written approval of the Landlord to store on or about the Premises more than a thirty (30) day supply of any Hazardous Material (which approval may be withheld in the Landlord's sole

discretion). No Hazardous Materials comprising hazardous waste as defined by the Resource Conservation and Recovery Act, 42. U.S.C. 6901 *et. seq.* (42. U.S.C. 6903) or other regulated waste material shall be stored on the Premises. Tenant agrees to indemnify, defend and hold Landlord harmless from and against all injury, loss, damage or costs (including all legal fees and court costs) arising out of or in connection with the breach by Tenant of Tenant's obligations under this Section 5.07 and/or the use, storage, disposal, or presence of any Hazardous Materials at the Premises caused to be there by Tenant or Tenant's employees, agents, contractors, invitees, successors or assigns. The term "Hazardous Substances or Materials" shall be as defined under federal environmental law.

ARTICLE VI. EXTERIOR AREAS

SECTION 6.01. USE. During the Term of this Lease, Tenant is granted, subject to rules and regulations promulgated by Landlord from time to time, the nonexclusive license to permit its customers and invitees to use the sidewalks, customer parking areas for the Premises, the entrance and exit ways designated by Landlord for access and egress to and from the Premises from a public street or highway, all landscape areas adjacent to the Premises, all loading dock and dumpster areas for the Premises, all site lighting and all other outside areas adjacent to the Premises (collectively "Exterior Areas"). All such Exterior Areas shall be subject to the control and management of Landlord, and Landlord shall have the right, at any time and from time to time, to establish, modify, amend and enforce reasonable rules and regulations with respect to the Exterior Areas and the use thereof.

SECTION 6.02. MAINTENANCE, REPAIR AND REPLACEMENT OF EXTERIOR AREAS

(a) Landlord agrees to, at Landlord's sole cost and expense, maintain, repair, replace and keep in good service (or cause to be maintained and repaired) the Exterior Areas or cause the Exterior Areas, to be maintained, and repaired in accordance with practices for similar restaurants in the same geographic area as the Premises. Landlord agrees to pay for all costs and expenses incurred in, servicing, insuring, cleaning, maintaining, repairing, patching, sealing, and re-striping of all parking areas used for the Premises, dumpster areas, site lighting and (to the extent Landlord, in its sole discretion, deems appropriate) policing and protecting all Exterior Areas, including, without limitation, the following costs and expenses: (i) gas, electricity, water, sewer, other utility charges (including surcharges) of whatever nature which are necessary for the operation of the Exterior Areas, including all exterior site lighting, removal of rubbish, dirt, debris, snow and ice; (ii) insurance premiums, including but not limited to liability, property damage, fire, extended coverage, rent loss, workers' compensation, employer's liability, and contractual liability insurance premiums which are necessary to insure the Exterior Areas; (iv) costs of service and maintenance contracts, including windows for the Exterior Areas; (vi) any other costs and expenses incurred by Landlord in operating the Exterior Areas. Tenant acknowledges, understands and agrees that except as set forth herein as Landlord's Work, Landlord has no liability or obligation to construct or install, any Exterior Areas, as shown on the Site Plan attached hereto as Exhibit "B".

SECTION 6.04. PAYMENT OF EXTERIOR AREA EXPENSES. Landlord shall pay all Exterior Area operational, maintenance, repair and replacement expenses, fees and costs directly to any vendors.

ARTICLE VII. REPAIRS AND MAINTENANCE

SECTION 7.01. LANDLORD'S OBLIGATIONS. Landlord shall, at Landlord's expense, keep in good repair the exterior walls, of the Premises. Landlord at Landlord's expense shall keep the structural supports, roof, soffits, guttering, common area lighting, landscaping, parking lot, ingress/ egress to the parking lot, exterior walls, subflooring, foundations, the mechanical units, plumbing, electrical, underground pipes, utilities to the building, dumpster enclosure, fire sprinkler system and building structure of the Premises in a good state of repair. Except as otherwise set forth herein, Landlord shall have no obligation to maintain, repair or replace the building containing the Premises or any portion thereof or any part of the Premises. Landlord will agree to provide a grease trap available for the Tenant to connect to and use in the Permitted Use.

SECTION 7.02. TENANT'S MAINTENANCE AND REPAIRS. Tenant shall maintain, clean and keep the Premises including its ceiling, grease trap, entrances for the Premises, service areas, and all improvements making up the Premises and all appurtenances and facilities thereof in good order, condition and repair, making all needed maintenance, repairs and replacements, including, without limitation:

- (a) maintaining lighting, heating and plumbing fixtures in good order, condition and repair making all needed maintenance, repairs and replacements, all of which Landlord warrants that, to the best of Landlord's actual knowledge, at the time of delivery of possession of the Premises are in good working order;
- (b) making repairs and replacements as needed to all Tenant signs, frames, doors, hardware, partitions, interior walls, interior ceilings, and fixtures;
- (c) keeping all glass, including that in windows, doors, fixtures and skylights (except Tenant shall not be responsible for the repair and replacement of the glass in the Common Area, including front and back entrances and vestibule area), clean and in good condition, and to replace glass which may be damaged or broken with glass of the same quality;
- (d) keeping all pipes, the grease trap and drains inside or outside the Premises and servicing the Premises clean and free of blockage and accumulation of hair, debris or waste of any kind emanating from the Premises, and removing all such waste with proper traps approved by Landlord so as to prevent such waste from accumulating in any drains or pipes or being discharged through any drains or pipes into any system of pipes or sewers located outside the Premises, all of which Landlord warrants that, to the best of Landlord's actual knowledge, at the time of

delivery of possession of the Premises are in good working order;

(e) making all repairs, alterations, additions or replacements to the Premises required by any law, ordinance or regulation of any public authority in existence on the date of execution hereof or by fire underwriters or underwriters' fire prevention engineers, keeping the Premises equipped with all safety appliances so required, except that the fire sprinkler system shall be Landlord's responsibility; and

(f) repainting and redecorating the Premises and cleaning carpets at reasonable intervals.

If replacement of the Premises equipment, fixtures, units and appurtenances thereto are necessary, Tenant shall replace the same with equipment, fixtures, units and appurtenances of the same quality when new and shall repair all damage resulting in or by such replacement.

Tenant shall arrange for the regular pickup of all trash and garbage at Tenant's sole cost and expense. Tenant shall not burn any trash or garbage at any time in or about the Premises, and Tenant shall attend to the daily disposal of trash and garbage in the manner designated by Landlord.

If Tenant refuses or neglects to make repairs and/or replacements and/or to maintain the Premises or any part thereof as set forth in this Lease and in a manner reasonably satisfactory to Landlord, Landlord shall have the right, but not the obligation, upon giving Tenant written notice which shall include a fourteen (14) day cure period of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. Such work shall be paid for by Tenant, as Additional Rent, promptly upon receipt of a bill therefor with an eight percent (8%) administration charge added to the total.

SECTION 7.03. MAINTENANCE OF HEATING, VENTILATING AND AIR CONDITIONING SYSTEM. As part of Landlord's maintenance and repair obligations, Landlord shall provide for and perform periodic service, maintenance, repair and replacement of the heating, ventilating and air conditioning system serving the Premises which shall provide for a scope of work and periodic services, at a minimum, in accordance with manufacturer's specifications.

SECTION 7.04. FAILURE TO MAINTAIN OR REPAIR. If Tenant fails to perform any obligation under Sections 7.02, and such failure continues for ten (10) days after written notice from Landlord (except in the case of an emergency when no notice shall be necessary), Landlord may, but shall not be obligated to, perform such obligation, and Tenant shall pay to Landlord, upon demand, as additional Rent, the cost of such performance plus eight percent (8%) of such cost for supervision and overhead.

SECTION 7.05. LABOR RELATIONS. (a) Labor. Tenant shall not knowingly engage in or permit any activity which shall result in labor strife at the Premises or the

building containing the Premises, including work slowdowns, pickets or boycotts in the Exterior Areas. Tenant shall promptly respond to any complaint or notice received by Landlord or Tenant from a union representative so as to prevent picketing or disruption of work at the Premises or the building containing the Premises.

(b) Prevailing Wage Act Compliance. Landlord and Tenant agree that Tenant's use of the Premises and any and all build out work and Tenant's Work shall comply with any and all applicable Federal and State Laws, including but not limited to the Prevailing Wage Act. Notwithstanding anything herein to the contrary, this Section 7.05 is applicable to demolition work and any non-permanent improvement work only to the extent as required under the Prevailing Wage Act (820 ILCS 130/, et seq.).

ARTICLE VIII. REAL ESTATE/LEASEHOLD TAXES

SECTION 8.01. LIABILITY. Starting with the Effective Date and throughout the entire Term of this Lease, and provided Landlord owns the Premises, Tenant shall pay all Taxes, as hereinafter defined, for each tax year. The term "Taxes" means the total of all taxes and assessments, general and special, ordinary and extraordinary, foreseen and unforeseen, including assessments for public improvements and betterments, assessed, levied or imposed with respect to the land and improvements included within the Premises, taxes on the leasehold, rents, leases or subleases or on the privilege of leasing or subleasing. Tenant shall annually review the real estate taxes and seek legal advice as to the prospective effectiveness of engaging in any tax reduction work, and, if the advice evidences a reasonable possibility that tax reduction work would be effective and yield a positive result, Tenant shall contest the real estate tax assessment with attorneys of its choice at Tenants cost. If, at any time during the term of this Lease, the present method of taxation shall be changed so that in lieu of the whole or any part of any Taxes levied, assessed or imposed on real estate and the improvements thereon there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such rents for the present or any future improvements on the Land, then all such taxes, assessments, levies or charges, or the part thereof so measured or based, shall be deemed to be included within the term "Taxes" for the purposes hereof. Tenant shall be responsible for and shall pay the real estate and leasehold taxes accruing for the Premises and/or the Lease from the Effective Date through the end of the Term, including any Taxes on the Exterior Areas, and further including any access roads. Notwithstanding the foregoing, if a portion of the land underlying the Property is separately assessed so that the owner or occupant thereof pays a portion of the Taxes the land underlying the Property directly to the taxing authority, then Landlord may elect to exclude the Taxes for such separately assessed parcel from Taxes hereunder. Landlord hereby represents and warrants that Landlord is a tax-exempt governmental entity. As of the Effective Date, the real estate taxes, assessments, general and special for the Property are exempt. Landlord makes no representation or warranty whatsoever regarding the assessment or issuance of any taxes based on the leasehold, rents, leases or subleases or on the privilege of leasing or subleasing or on Tenant's or Landlord's interest in this Lease (collectively "Leasehold

Taxes”, which shall be included in the term “Taxes”). In the event of any assessment of such Leasehold Taxes, Tenant shall be responsible for and shall timely pay 100% of all such Leasehold Taxes.

SECTION 8.02. METHOD OF PAYMENT. (a) Tenant shall pay, prior to the earlier of delinquency or the accrual of interest on the unpaid balance, or reimburse Landlord to the extent paid by Landlord, all taxes and assessments of every type or nature assessed against or imposed upon the Premises or the Leasehold of Tenant, Tenant or Landlord during the Lease Term related to or arising out of this Lease and the activities of the parties hereunder, including without limitation, (i) all taxes or assessments upon the Premises or any part thereof and upon any personal property, trade fixtures and improvements located on the Premises, whether belonging to Landlord or Tenant, or any tax or charge levied in lieu of such taxes and assessments; (ii) all taxes, charges, license fees and or similar fees imposed by reason of the use of the Premises by Tenant; (iii) all excise, franchise, transaction, privilege, license, sales, use and other taxes upon the Rent or other monetary obligations hereunder, the leasehold estate of either party or the activities of either party pursuant to this Lease; and (iv) all Leasehold Taxes or any other taxes on the Lease or leasehold of Landlord and Tenant. Notwithstanding anything in clauses (i) through (iv) to the contrary, Tenant shall not be obligated to pay or reimburse Landlord for any taxes based on the net income of Landlord.

Notwithstanding anything herein to the contrary, Landlord shall, within twelve (12) months after the date the tax amount of any Taxes becomes available, to charge and bill the Tenant the tax amount of any Taxes. Notwithstanding the end of the Term hereof, until the issuance of any Tax bill for the last Lease Year of the Term, Tenant shall continue to be liable to Landlord for all Taxes assessed, levied or imposed for the period of the Term of this Lease, as extended, or any portion thereof, whether or not such Taxes shall be due during such Term, and Tenant shall promptly remit to Landlord any amount due to Landlord upon notice from Landlord to Tenant. Tenant shall also continue to be responsible for and shall timely pay 100% of all Leasehold Taxes, notwithstanding the expiration or termination of the Term.

(b) In the event the Landlord sells all or any portion of the Property to an entity which causes the Property, or any portion thereof, to become not exempt, including the Premises, from and after the Closing Date of such a sale, Tenant may deduct the amount of the Tax bill applicable to the Premises, as determined by Landlord in its reasonable discretion, up to but not in excess of twenty five percent (25%) of the Annual Minimum Rent applicable to the Lease Year then in affect. Tenant shall continue to be obligated to pay the Taxes and 100% of any Leasehold Taxes.

ARTICLE IX. INSURANCE, INDEMNITY AND LIABILITY

(a) SECTION 9.01. TENANT’S OBLIGATIONS.

Tenant shall obtain and maintain, during the Term of this Lease:

- (i) Commercial General Liability insurance with coverage for premises/operations,

products/completed operations, contractual liability (insuring Tenant's indemnity hereunder) and personal/advertising injury naming Landlord, Landlord's managing agent, any mortgagee, and master Landlord, if any, as additional insureds, which policy is to be in the minimum amount of:

\$1,000,000 each occurrence;
 \$2,000,000 annual aggregate;
 \$1,000,000 personal injury and advertising

(ii) Commercial Automobile Liability with coverage for owned, hired and non-owned vehicles which policy is to be in the minimum amount of \$1,000,000 each occurrence combined single limit for bodily injury and property damage;

(iii) Umbrella Liability coverage which policy will be in the minimum amount of:

\$ _____ each occurrence; and
 \$ _____ annual aggregate;

(iv) Intentionally Deleted

(v) Workers' Compensation insurance covering all costs, statutory benefits and liabilities under state workers' compensation and similar laws with a waiver of subrogation in favor of Landlord and Employer's Liability Insurance in the amount of \$500,000.00 per accident or disease;

(v) Business Income Insurance to include Rental Value coverage; and

(vi) Dram shop insurance with total limits of liability for bodily injury, loss of means of support, and property damage because of each occurrence of not less than \$3,000,000.00, or such greater amounts as Landlord may require, indemnifying Landlord, its directors, officers, agents and assigns, Tenant and such other persons as Landlord may designate, against any and all liability relating to the use, sale or giving away of alcoholic liquors; and (ii) product liability insurance with limits of liability of not less than \$1,000,000.00 per occurrence. Tenant shall, prior to the commencement of operations in the restaurant and bar portion of the Premises, furnish to Landlord certificates evidencing such coverage, which certificates shall state that such insurance coverage may not be changed or canceled without at least 30 days' prior written notice to Landlord and Tenant.

(vi) The minimum limits hereinbefore set forth may, at Landlord's option, be increased by not more than ten percent (10%), such increase to occur not more often than once during each two (2) consecutive lease years during the Term hereof. Tenant shall deliver to Landlord certificates of insurance or duplicate originals of each such policy on the Commencement Date and at least thirty (30) days prior to the expiration date of each such policy, and any endorsements requested by Landlord, within three (10) days after request therefore. In the event that Tenant fails to provide Landlord with proof that any policy required hereunder has been renewed or replaced at least thirty (30) days prior to

expiration date for such policy and Tenant fails to provide such proof to Landlord within ten (10) days after written notice from Landlord, then Landlord may purchase such insurance on behalf of Tenant and Tenant shall pay to Landlord the cost of such policy upon demand by Landlord;

(viii) Tenant, at Tenant's sole cost and expense, shall obtain and maintain, for the term of this Lease, as extended, Property insurance providing coverage: for all Tenant's furnishings, fixtures, equipment, personal property and other contents located at the Premises, including, but not limited to, those perils generally covered on a Causes of Loss – Special Form, including fire, extended coverage, windstorm, vandalism, malicious mischief, flood and earthquake coverage in the amount of the full replacement cost of said items, with a waiver of subrogation in favor of Landlord. Tenant shall provide Tenant with proof of said coverages upon execution hereof. Landlord shall have no obligation or liability to obtain any insurance coverage for Tenant's furnishings, fixtures, equipment, personal property and other contents located at the Premises.

(b) The policies described in this Section 9.01 shall: (i) be acceptable to Landlord in form and content, (ii) contain an express waiver of any right of subrogation by the insurance company against Landlord, Landlord's agents and employees, and any mortgagees and ground landlords, (iii) contain a provision that it shall not be cancelled and that it shall continue in full force and effect unless Landlord has received at least thirty (30) days prior written notice of such cancellation or termination, (iv) not be materially changed without prior notice to Landlord, and (v) name Landlord as an additional insured under said policies on a primary and non-contributory basis except for Workman's Compensation.

(c) Tenant shall not permit to be done any act which will invalidate or be in conflict with the fire insurance policies covering the Premises or any other insurance referred to in this Lease. Tenant will promptly comply with all rules and regulations relating to such policies. If the acts of Tenant or its employees or agents shall increase the rate of insurance referred to in this Lease, such increases shall be immediately paid by Tenant as Additional Rent.

SECTION 9.02. LANDLORD'S INSURANCE OBLIGATIONS.

Landlord, at Landlord's sole cost and expense, shall obtain and maintain, for the term of this Lease, as extended, insurance policies providing the following coverage: Property Insurance upon the building containing the Premises and building improvements and betterments that become a part of the building, including, but not limited to, those perils generally covered on a Causes of Loss – Special Form, including fire, extended coverage, windstorm, vandalism, malicious mischief, flood and earthquake coverage in the amount of the full replacement cost of said items.

SECTION 9.03. COVENANTS TO HOLD HARMLESS.

(a) Landlord and Tenant each hereby releases the other, its officers, directors,

managers, employees, and agents from any and all liability or responsibility for any loss or damage to property covered by, or which loss or damage is required pursuant to this Lease to be insured by, valid and collectible fire insurance with standard and extended coverage endorsement, to the extent of the proceeds collected under such insurance policies, even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or any one for whom such party may be responsible.

(b) Tenant agrees to hold harmless and indemnify Landlord and any and all mortgagees and their respective agents, beneficiaries, partners, officers, servants and employees against claims and liabilities, including attorneys' fees, for injuries to all persons and damage to, or theft or misappropriation or loss of property occurring in or about, the Premises, arising from Tenant's occupancy of the Premises or the conduct of its business or from activity, work, or anything done, permitted or suffered by Tenant in or about the Premises, or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease or due to any other act or omission of Tenant, its agents, employees, guests or invitees. In case of any action or proceeding brought against Landlord, Landlord's managing agent, any mortgagee, master Landlord, or any of their respective agents, beneficiaries, partners, officers, servants or employees by reason of any such claims, upon notice from Landlord, Tenant covenants to defend such action or proceeding at Tenant's expense with counsel reasonably satisfactory to Landlord.

SECTION 9.04. LIABILITY OF LANDLORD TO TENANT. Except with respect to any damages resulting from the willful misconduct or gross negligence of Landlord, its agents or employees, Tenant releases Landlord and Landlord's managing agent and their respective agents, beneficiaries, directors, officers, servants and employees, from and waives all claims for damages to person or property sustained by Tenant or by any occupant of the Premises or the building containing the Premises, or by any other person, resulting directly or indirectly from fire or other casualty, cause or any existing or future condition, defect, matter or thing in the Premises, the building containing the Premises or any part thereof, or from any equipment or appurtenance therein, or from any accident in or about the Premises, or from any act or neglect of any other person, including any agent, managing agent, partner, officer, servant or employee of Landlord or of Landlord's managing agent. This Section shall apply especially, but not exclusively, to damage caused by water, snow, frost, steam, excessive heat or cold, sewerage, any gas, odors or noise, or the bursting or leaking of pipes or plumbing fixtures, falling plaster, broken glass, sprinkling, heating, ventilating or air conditioning systems, devices or equipment, or flooding, and shall apply without distinction as to whether the damage was due to any of the acts specifically enumerated above, or from any other thing or circumstance, whether of a like nature or of a wholly different nature. All personal property belonging to Tenant or any occupant of the Premises or to any other person that is in the Premises shall be there at the risk of Tenant or such other person only, and Landlord and Landlord's managing agent and their respective agents, managing agent, partners, officers, servants and employees shall not be liable for damage thereto or theft or misappropriation thereof.

ARTICLE X. DESTRUCTION OF PREMISES

SECTION 10.01. RECONSTRUCTION; LEASE CONTINUANCE AND RENT ABATEMENT.

(a) If all or a substantial portion of the Premises shall be damaged by fire or other casualty, this Lease shall not be terminated or otherwise affected; except that, if: (i) any such fire or other casualty occurs within the last two (2) years of the Term of this Lease and the cost of repairs exceeds One Hundred Thousand Dollars (\$100,000.00) as reasonably estimated by Landlord, or (ii) if the Premises and/or the building containing the Premises are damaged or destroyed by fire or other casualty, so that fifty percent (50%) or more of the floor area contained in the Building is untenable, and the Premises cannot be rebuilt within two hundred forty (240) days from the date of such casualty, as reasonably determined by Landlord's engineers, then, in any such event, Landlord or Tenant, at each party's sole option, may terminate this Lease and the Term upon thirty (30) days notice to the other party given within ninety (90) days after the date of such fire or other casualty. Upon the giving of any such notice this Lease and the Term shall terminate by limitation upon the giving of said notice as fully and effectively as if the date said notice is given had been the date in this Lease specifically provided for the termination of this Lease and the Term.

(b) If Landlord or Tenant does not so terminate this Lease, then Landlord shall repair and/or rebuild the Premises including the building containing the Premises and other improvements on the land to substantially the same condition as immediately prior to the casualty and in compliance and subject to the terms of Article IV of this Lease and all government requirements. The Term shall continue without interruption, and this Lease shall remain in full force and effect. Landlord and Tenant waive the provisions of any present or future law which may be contrary to the foregoing provisions of this Section. Landlord shall, using the proceeds from the insurance provided for in Section 9.01, repair, restore, replace or rebuild the Premises, such that the Premises shall be restored to its condition as of immediately prior to the occurrence of such casualty. All of the aforesaid insurance proceeds shall be deposited in escrow by Tenant and shall be disbursed as work on repair, replacement or restoration progresses upon the certification of Landlord's architect that the balance in the escrow fund is sufficient to pay the estimated costs of completing the repair and restoration. If the insurance proceeds shall be less than required to complete Tenant's obligation hereunder, Tenant shall pay the entire excess cost into said escrow upon demand by Landlord. Subject to Section 10.01(c), hereinbelow, if this Lease is terminated pursuant to this Article X, then Landlord shall receive all proceeds from insurance policies insuring such damage and destruction to the building containing the Premises and the Premises and Tenant shall receive all proceeds from insurance policies Tenant obtains and maintains insuring any and all Tenant's furnishings, fixtures, equipment, personal property and other contents located at the Premises and provided for or installed and paid for by Tenant, pursuant to Section 9.01(ii), hereinabove. Tenant shall assign to Landlord the right to receive any insurance proceeds from any policy maintained by Tenant or any affiliate of Tenant for such damage and destruction to the building containing the Premises and Premises. The Minimum Rent

which is payable hereunder during the existence of such damage and until such repair or rebuilding is substantially completed shall be equitably abated. Equitable abatement shall terminate upon the earlier of (i) the date upon which Tenant commences to use substantially all of the Premises for business with the public and (ii) a reasonable period of time for Tenant to fixture the Premises not to exceed one hundred twenty (120) days after the date upon which Landlord substantially completes its repair or rebuilding work. However, in no event shall Minimum Rent abate, in whole or in part, if such fire or casualty was caused by the act or neglect of Tenant, its employees or agents.

ARTICLE XI. CONDEMNATION

SECTION 11.01. EMINENT DOMAIN. If twenty-five percent (25%) or more of the floor area of the Premises shall be taken or condemned by any competent government authority, then either party may elect to terminate this Lease by giving notice to the other party not more than sixty (60) days after the date on which such title shall vest in the authority; provided, that if Landlord elects, by giving Tenant written notice thereof within thirty (30) days following the condemnation date, to make reasonably comparable space available to Tenant under the same terms as herein provided, Tenant shall accept such space and this Lease shall then apply to such space. Appropriate adjustments will be made to reflect any difference between the rentable area of the replacement space and the rentable area of the Premises. If the parking facilities are reduced below the minimum parking requirements imposed by the applicable authorities, Tenant may elect to terminate this Lease by giving Landlord notice within one hundred twenty (120) days after such taking. In case of any taking or condemnation, whether or not the term of this Lease shall cease and terminate, the entire award shall be the property of Landlord; provided, however, Tenant shall be entitled to any award as may be allowed for fixtures and other equipment which, under the terms of this Lease, would not have become the property of Landlord; or any other award further provided, that any such award to Tenant shall not be in diminution of any award to Landlord.

SECTION 11.02. RENT APPORTIONMENT. Tenant's obligation to pay Minimum Rent shall be apportioned or ended, as the case may be, as of the date of vesting of title or termination of this Lease. Any purchase of all or a portion of the Premises in lieu of a taking or condemnation under powers of eminent domain shall be deemed a taking or condemnation thereof.

ARTICLE XII. ASSIGNMENT, SUBLETTING AND ENCUMBERING LEASE

Except as provided in Article XII, Subsection (e) hereof, Tenant shall not, without the express written consent of Landlord: which consent will not be unreasonably withheld or delayed (i) assign or otherwise transfer, mortgage or encumber this Lease or any of its rights hereunder, (ii) sublet the Premises or any part thereof or permit the use of the Premises or any part thereof by any persons other than Tenant or its agents, or (iii) permit the assignment or other transfer of this Lease or any of Tenant's rights hereunder by operation of law. Any attempted or purported transfer, assignment, mortgaging or encumbering of this Lease or any of Tenant's interest hereunder, and any attempted or

purported subletting or grant of a right to use or occupy all or a portion of the Premises, in violation of the foregoing sentence shall be null and void and shall not confer any rights upon any purported transferee, assignee, mortgagee, sublessee, or occupant.

Notwithstanding anything to the contrary contained in this Article XII, Tenant shall have the right to transfer all or part of its interest in this Lease or all or part of the Premises to: (i) an Affiliate (as defined below) of Tenant or the principals of Tenant; or (ii) an entity surviving a consolidation or merger with Tenant and/or an Affiliate of Tenant; or (iii) an entity or person acquiring all or substantially all of Tenant's or an Affiliate of Tenant's stock, other voting/membership interest or assets ((i) through (iii) collectively and individually referred to herein as a "Permitted Transfer(s)") upon the prior consent of Landlord, such consent not to be unreasonably withheld or delayed and such consent to be based upon the Landlord's commercially reasonable determination that the net worth of the assignee subject to Permitted Transfer shall be equal to or greater than the Tenant. Notwithstanding anything herein to the contrary, the Tenant shall continue to be fully liable for the performance of all of the obligations of Tenant hereunder in connection with a Permitted Transfer. The Guarantor shall be fully released and shall not be liable for the performance of all of the obligations of Tenant hereunder in connection with a Permitted Transfer only if a replacement guarantor, whose net worth is equal to or greater than the Guarantor, as determined by landlord in its commercially reasonable discretion, is provided and a comparable Guaranty is fully executed and delivered to Landlord. For purposes of this Article XII, the term "Affiliate" means any person or entity controlling, controlled by or under common control with Tenant; the term "Control" as applied to any person or entity means the possession, directly or indirectly, of the power to direct or cause the direction of the management, policies and decision-making of such person or entity, through the ownership of voting interests. Any subsequent transfer by a Permitted Transferee shall be subject to the terms of this Article.

Landlord's consent or refusal to consent to any such subletting or assignment (including but not limited to a change of use which does not violate Exhibit G, does not violate the Recorded Documents and which is a retail use customarily found in restaurants/bars in the Chicago Metropolitan area, (which is not more parking intensive than the Permitted Use) shall not be unreasonably withheld or delayed and may be based upon, but shall not be limited to, factors pertaining to:

(i) The acceptability or compatibility of an proposed subtenant or assignee to the Premises and to the whole Building or the entire development wherein said Premises are located;

(ii) The financial statement, credit and ability of any proposed subtenant or assignee to meet the obligations, terms and conditions of this Lease is sufficient to meet the operation of the business; and

(iii) The business reputation and managerial experience of the proposed subtenant or assignee must be in accordance with generally acceptable commercial standards.

The acceptance of any rental payments by Landlord from any alleged assignee or subtenant shall not constitute approval of the assignment of this Lease by Landlord, and the consent by Landlord to one assignment or sublease of the Premises shall not constitute a waiver of Landlord's rights hereunder in regard to any other assignment or sublease.

Notwithstanding anything contained herein to the contrary, Landlord acknowledges Tenant's efforts to attract and sublet to a partner with an established food & beverage partner ("Sublessee Food and Beverage Partner") acceptable to both Landlord and Tenant; and Tenant may or may not own a majority interest in such Sublessee Food and Beverage Partner .

Except for any Landlord approved sublease to the Sublessee Food and Beverage Partner and Landlord approval of the Sublease Food and Beverage Partner, Tenant shall pay to Landlord the sum of \$1,000.00 as transfer fee for any such written consent. In the event of any such assignment, subletting, licensing or granting of a concession made with the written consent of Landlord aforesaid, including, but not limited to any Landlord approved sublease to the Sublessee Food and Beverage Partner, Tenant will nevertheless remain liable for the performance of all terms, conditions and covenants of this Lease. Any permitted assignment or sublease, including, but not limited to any Landlord approved sublease to the Sublessee Food and Beverage Partner, shall be by agreement in form and substance acceptable to Landlord and shall specify and require that such subtenant or assignee acquiring this Lease by acceptance of any sublease, assignment or transfer shall be bound by, and be obligated to perform the terms and conditions of its successor and assignor under this Lease. In the event of default of Tenant, Landlord, at Landlord's sole option, may, at Landlord's election, but is not obligated to, succeed to the position of Tenant as to any subtenant or licensee of Tenant.

(a) Any costs and expenses, including reasonable attorneys' fees (which shall include the cost of any time expended by any in-house counsel of Landlord) not to exceed \$500.00 incurred by Landlord in connection with any proposed or purported assignment, transfer or sublease shall be borne by Tenant and shall be payable to Landlord on demand as Additional Rent. No such charges shall be born by Tenant for the initial sublet to the Landlord approved sublease to the Sublessee Food and Beverage Partner and Landlord approval of the Sublease Food and Beverage Partner.

(b) In the event Tenant, pursuant to a right to do so contained in this Lease, transfers or sublets all or a portion of the Premises to a third party, any monthly rent or other payment accruing to Tenant as the result of any such assignment, transfer or sublease, including any lump sum or periodic payment in any manner relating to such assignment, transfer or sublease, which is in excess of the net rent then payable by Tenant under the Lease, said excess amount shall be paid by Tenant to Landlord monthly as Additional Rent. Landlord may require a certificate from Tenant specifying the full amount of any such payment of whatsoever nature.

(c) In the event Landlord, in connection with the sale or transfer of all of the building containing the Premises, Property and/or Premises, or a portion thereof which includes the Premises, or the Premises, and/or Landlord transfers or assigns its interest in this Lease, then Landlord shall thereupon be relieved of all liabilities and obligations as Landlord under this Lease, and upon any such transfer the term "Landlord" shall be deemed and construed to refer to such purchaser or transferee and Tenant hereby agrees thereafter to look only to the assignee of Landlord's interest under this Lease for the performance of all obligations of Landlord under the liability in this Lease.

(e) Notwithstanding anything contained herein to the contrary, upon Landlord's prior approval, not to be unreasonably withheld or delayed, Tenant shall have the right, upon thirty (30) days prior written notice to Landlord, which notice shall contain the proposed sublease and the certified financial statements of the proposed Sublessee Food and Beverage Partner, to sublet a portion of the Premises (not to exceed _____% of the square footage floor area of the Premises) to the Landlord approved Sublessee Food and Beverage Partner for the use as set forth in Section 5.01 herein, and for no other use or purpose, without Landlord's consent, provided, however, the certified financial statements of the proposed subtenant and the form of the sublease shall be subject to Landlord's prior written approval, which shall not be unreasonably withheld or delayed and shall contain terms which obligates any sublessee to perform and comply with the provisions of this Lease which shall be incorporated into any sublease with respect to the subleased premises to be performed by "Tenant" (or like words of similar import) thereunder. Landlord shall have the right to request any further information on any proposed subtenant and Tenant shall use best efforts to satisfy Landlord's request. Any sublessee shall assume and agree to perform all of the obligations of the "Tenant" under this Lease accruing or arising during the term of the sublease in the manner and within the time required under this Lease. The term of any sublease shall be for no greater term than contained in this Lease. Any sublessee shall further covenant that it will neither commit, nor permit to be committed by any third party, any act or omission which would violate any material term or condition of this Lease by it or on its behalf to be performed or be cause for termination of this Lease by Landlord. Nothing contained in the sublease shall confer upon any sublessee any rights greater than those which Tenant has under this Lease. In the event of any such subletting as set forth in this Article XII(e), Tenant will nevertheless remain fully liable for the performance of all terms, conditions and covenants of this Lease.

ARTICLE XIII. SUBORDINATION AND FINANCING

SECTION 13.01. SUBORDINATION. This Lease and Tenant's tenancy hereunder shall be subject and subordinate at all times to the lien of any mortgage or deed of trust now or hereafter placed upon the interest of the Landlord in the Premises. Tenant agrees to execute and deliver such instruments as may be desired by Landlord or by any mortgagee evidencing such subordination of this Lease to the lien of any present or future mortgage or deed of trust within thirty (30) days after written request therefor by Landlord. In the event Tenant fails timely to do so, it shall be conclusively determined that Tenant has confirmed such subordination to the lien of any such present

or future mortgage or trust deed for which the written instrument evidencing same was requested.

SECTION 13.02. ATTORNMENMENT. If and so long as this Lease is in full force and effect, then at the option of the mortgagee: (i) this Lease shall remain in full force notwithstanding (A) a default under the mortgage by Landlord, (B) failure of Landlord to comply with this Lease, (C) a defense to which Tenant might be entitled against Landlord under this Lease, or (D) any bankruptcy or similar proceedings with respect to Landlord; (ii) if any such mortgagee shall become possessed of the Premises, Tenant shall be obligated to such mortgagee to pay to it the rentals and other charges due hereunder and to thereafter comply with all the terms of this Lease; and (iii) if any mortgagee or purchaser at a private or public sale shall become possessed of the Premises, Tenant shall, without charge, attorn to such mortgagee or purchaser as its landlord under the Lease. Within thirty (30) days after execution hereof Landlord shall provide Tenant with a non disturbance agreement from all of Landlords mortgagees on such mortgagees standard form, providing that so long as Tenant is not in default its Tenancy will not be disturbed.

ARTICLE XIV DEFAULTS

SECTION 14.01. ELEMENTS OF DEFAULT. If any one or more of the following events occur, said event or events shall hereby be a "Default" hereunder:

(a) if Tenant, or any guarantor of Tenant's obligations hereunder, shall make an assignment for the benefit of creditors or file a petition in any court in bankruptcy, reorganization, composition, or make an application in any such proceedings for the appointment of a trustee or receiver for all or any portion of its property;

(b) if any petition shall be filed against Tenant, or any guarantor of Tenant's obligations hereunder, in any bankruptcy, reorganization, or insolvency proceedings, and said proceedings shall not be dismissed or vacated within sixty (60) days after such petition is filed;

(c) if a receiver or trustee shall be appointed under state law for Tenant, or any guarantor of Tenant's obligations hereunder, for all or any portion of the property of either of them, and such receivership or trusteeship shall not be set aside within thirty (30) days after such appointment;

(d) if Tenant refuses to take possession of the Premises at the Delivery of Possession Date and fails to open and keep its doors open for business after all of the Tenant's Work and Landlord's Work have been completed and the Certificate of Occupancy has been issued as required herein;

(e) INTENTIONALLY DELETED;

(f) INTENTIONALLY DELETED;

(g) if Tenant is a limited liability company, if the manager or operator is changed and such change is not consented to in writing by Landlord; such consent not to be unreasonable withheld;

(h) INTENTIONALLY DELETED; or

(i) if any execution, levy, attachment or other legal process of law shall occur upon Tenant's goods, fixtures, or interest in the Premises;

(j) if Tenant does, or permits to be done, any act which causes a mechanics' lien claim to be filed against the Premises, Property or the building containing the Premises and Tenant does not comply with the provisions of Section 4.09;

(k) if Tenant fails to cure beyond the applicable cure period any hazardous condition that Tenant has created or permitted in violation of law or in breach of this Lease unless such hazardous condition is of an emergency nature then such condition shall be immediately cured;

(l) if Tenant fails to pay Minimum Rent, Taxes, Leasehold Taxes, Additional Rent or any other charges required to be paid by Tenant when same shall become due and payable and such failure continues for ten (10) days after written notice from Landlord; and

(m) if Tenant shall fail to perform or observe any terms and conditions of this Lease, and such failure shall continue for thirty (30) days after written notice from Landlord (except that such fifteen (30) day period shall be automatically extended for such additional period of time as is reasonably necessary in Landlord's opinion to cure such Default, if such Default cannot be cured within such period, provided Tenant commences the process of curing the same within said fifteen (30) day period and diligently pursues such cure).

SECTION 14.02. LANDLORD'S REMEDIES. Should a Default occur under this Lease, Landlord may pursue any or all of the following:

(i) Landlord may terminate this Lease, by giving written notice of such termination as provided in Section 14.01(n) or (o) above, whichever is applicable, or a written notice of termination if the Default is based upon Section 14.01(a) through (m), to Tenant, whereupon this Lease shall automatically cease and terminate and Tenant shall be immediately obligated to quit the Premises. If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, subject, however, to the right of Landlord to recover from Tenant all rent and any other sums accrued up to the time of termination or recovery of possession by Landlord, whichever is later.

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

(iii) Upon termination of this Lease pursuant to Section 14.02(i), or upon termination of the right of Tenant to possession of the Premises without terminating this Lease, Landlord may proceed to recover possession of the Premises under and by virtue of the provisions of the laws of the jurisdiction in which the Premises is located, or by such other proceedings, including re-entry and possession, as may be applicable.

(iv) Should this Lease be terminated before the expiration of the Term of this Lease by reason of Tenant's Default as hereinabove provided, or upon termination of the right of Tenant to possession of the Premises without terminating this Lease, Landlord shall have the option to relet the Premises for such rent and upon such terms as are not unreasonable under the circumstances and if the full rental reserved under this Lease (and any of the costs, expenses or damages indicated below) shall not be realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including, without limitation, deficiency in rent, reasonable attorneys' fees, brokerage fees and expenses of placing the Premises in commercially reasonable rentable condition. Landlord, in putting the Premises in good order or preparing the same for re-rental may, at Landlord's option, make such alterations, repairs or replacements in the Premises, and the making of such alterations, repairs, or replacements shall not operate or be construed to release Tenant from liability hereunder as aforesaid. Landlord shall in no event be liable in any way whatsoever for failure to relet the Premises, or in the event that the Premises are relet, for failure to collect the rent under such re-letting, and in no event shall Tenant be entitled to receive the excess, if any, of such net rent collected over the sums payable to Tenant to Landlord hereunder.

(v) Any damage or loss of rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of the re-letting, or in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive re-lettings, or at Landlord's option in a single proceeding deferred until the expiration of the Term of this Lease (in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said Term) or in a single proceeding prior to either the time of re-letting or the expiration of the Term of this Lease.

(vi) Intentionally deleted.

SECTION 14.03. ADDITIONAL REMEDIES AND WAIVERS. The rights and remedies of Landlord set forth herein shall be in addition to any other right and remedy now or hereinafter provided by law, and all such rights and remedies shall be cumulative.

No action or inaction by Landlord shall constitute a waiver of a Default and no waiver of Default shall be effective unless it is in writing, signed by the Landlord.

SECTION 14.04. CURE OF DEFAULT. If Tenant shall be in Default hereunder, Landlord shall have the option, upon fifteen (15) days written notice to Tenant, to cure said Default for the account of and at the expense of the Tenant. No such notice shall be required for emergency repairs. Tenant agrees to pay Landlord interest, at a rate equal to the Default Rate but not in excess of the maximum legal rate, for all sums paid by Landlord pursuant to the terms of this Section, and for all sums due and owing to Landlord more than five (5) days after the date such sums are due.

SECTION 14.05. EXPENSES OF ENFORCEMENT. (a) Tenant shall pay all costs, charges and expenses, including court costs and reasonable attorneys' fees, incurred by Landlord, (i) if Landlord prevails in enforcing Tenant's obligations under this Lease, (ii) if Landlord prevails in the exercise by Landlord of any of its remedies upon the occurrence of a Default, (iii) in any litigation, negotiation or transactions in which Tenant causes Landlord, without Landlord's fault, to become involved or concerned, or in which Landlord becomes involved or concerned as a result of or in connection with this Lease, or (iv) in consideration of any request or approval of or consent to any action by Tenant which is prohibited by this Lease or which may be done only with Landlord's approval or consent, whether or not such approval or consent is given.

(b) Notwithstanding anything contained herein to the contrary, in the event of any action or proceeding brought by either party against the other for any matter arising out of or in any way relating to this Lease or the Premises, the non-prevailing party in such action or proceeding shall pay all costs, expenses and reasonable attorneys' fees incurred by the prevailing party in connection with such action or proceeding.

ARTICLE XV. RIGHT OF ACCESS

Landlord may, upon reasonable prior notice to Tenant, enter upon the Premises for the purpose of inspecting, making repairs, replacements, or alterations, and showing the Premises to prospective purchasers, lenders or lessees. During the last year of the Term, Landlord shall have the right to display one or more "For Rent" signs outside of Premises on or about the Premises.

ARTICLE XVI. DELAYS

If either party shall be prevented or delayed from punctually performing any obligations or satisfying any condition under this Lease by any strike, lockout, labor dispute (whether legal or illegal and whether such dispute is with Landlord or Tenant or some other person or entity; provided, however, if such labor dispute is caused by Tenant's failure to abide by the labor compatibility requirements set forth elsewhere herein, such failure and the resulting labor dispute shall not qualify Tenant for an extension of time for performance under this Section), unavailability of labor or materials, act of God, severe weather not typical of the season (snow and ice during the winter shall

not be deemed severe weather), unusual governmental restriction, regulation or control, enemy or hostile governmental action, pandemic, civil commotion, insurrection, sabotage, fire or other casualty, or any condition caused by the other party (individually and collectively referred to herein as a "Force Majeure Delay"), then the time to perform such obligation to satisfy such condition shall be extended on a day-for-day basis for the period of the delay caused by such event; provided, however, that the party claiming the benefit of this Article shall, as a condition thereto, give notice to the other party in writing within fifteen (15) days of learning of the incident specifying with particularity the nature thereof, the reason therefore, the date and time such incident occurred and a reasonable estimate of the period that such incident has or will delay the fulfillment of obligations contained herein. Failure to give such notice within the specified time shall render such delay invalid in extending the time for performing the obligations hereunder. This provision shall not apply to the inability to pay any sum of money due hereunder or the failure to perform any other obligation due to the lack of money or inability to raise capital or borrow for any purpose. Notwithstanding anything contained herein to the contrary, in the event of a forced, complete closure due to or caused by any order, ordinance, statute, law of any applicable governmental entity which forces or requires Tenant to totally shut its business to the general public Landlord agrees to defer the monthly Minimum Rent and Additional Rent due hereunder and performance of any provisions of the Lease during the time of closure, for a period of time not to exceed the earlier of the following to occur: (i) enactment of any order, ordinance, statute, law of any applicable governmental entity which allows Tenant to re-open all or any portion of the Premises to do business under the Permitted Use; or (ii) sixty (60) days. Tenant shall, thereafter, pay Landlord the amount of deferred monthly Minimum Rent and Additional Rent within the next six (6) months in addition to monthly Minimum Rent and Additional Rent payments due and owing hereunder.

ARTICLE XVII. END OF TERM

SECTION 17.01. RETURN OF PREMISES. Upon the expiration or termination of this Lease, Tenant shall quit and surrender the Premises to Landlord in good order, broom clean, normal wear and tear and acts of God excepted. Subject to the other terms of this Lease, Tenant shall, at its expense, remove all property of Tenant, and repair damage caused by such removal and return the Premises to the condition in which they were prior to the installation of the articles so removed. Tenant shall not be obligated to remove improvements that were part of Tenant's initial work or other improvements that were approved by Landlord during the Lease term, provided, that such improvements have not been damaged or destroyed.

SECTION 17.02. HOLDING OVER. If Tenant shall hold possession of the Premises after the expiration or termination of this Lease, at Landlord's option (i) Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month, at one hundred fifty percent (150%) of the Minimum Rent in effect during the last lease year immediately preceding such hold over and otherwise subject to all of the terms and conditions of this Lease, or (ii) Landlord may exercise any other remedies it has under this Lease or at law or in equity including an action for wrongfully holding over. No

payment by Tenant, or receipt by Landlord, of a lesser amount than the correct rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any check for payment of rent or any other amounts owed to Landlord be deemed to effect or evidence an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the rent or other amount owed or to pursue any other remedy provided in this Lease.

ARTICLE XVIII. COVENANT OF QUIET ENJOYMENT

Landlord covenants that if and so long as Tenant pays the rent and all other charges provided for herein, and performs all of its obligations provided for herein, Tenant shall at all times during the term hereof peaceably have, hold and enjoy the Premises, without any interruption or disturbance from Landlord, or anyone claiming through or under Landlord, subject to the terms hereof.

ARTICLE XIX. RIGHTS RESERVED TO LANDLORD

Landlord shall have the following rights exercisable without notice and without liability to Tenant for damage or injury to property, person or business (all claims for damage being hereby released) and without effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for setoffs or abatement of rent:

(a) To enter the Premises in an emergency, using such remedies as is reasonably necessary;

(b) Provided that reasonable access to the Premises shall be maintained during restaurant hours and the business of Tenant conducted on the Premises shall not be interfered with unreasonably, and provided such additions, alterations, or changes do not obstruct Tenant's use of the Premises or visibility, to make inspections, repairs, decorations, alterations, additions or improvements in or to the Premises or the Exterior Areas, including installations, repairs, replacements, additions or alterations within the Premises or to wiring, conduit, pipes, ducts and other mechanical, electrical or other facilities and systems serving other premises or parcels, and to make repairs, additions or alterations in the Building which may change Exterior Areas or the method of ingress to or egress from the Premises, and to perform any acts related to the safety, protection, preservation, reletting, sale or improvement of the Premises and for any of the foregoing purposes may enter the Premises with such material as Landlord may deem necessary, erect scaffolding and all other necessary structures in or adjacent to the Premises and close or temporarily suspend operations of entrances, doors, corridors, elevators, escalators or other facilities; and Tenant waives any claim for damages including the loss of business resulting therefrom and agrees to pay Landlord for overtime and other expenses incurred if such work is done other than during ordinary business hours at Tenant's request;

(c) To do or permit to be done any work on or about the exterior of the Premises or any adjacent or nearby building, land, street or alley; scaffolding will not be permitted to be erected without Tenant's consent such consent not to be unreasonably withheld or delayed.

ARTICLE XX. RESTAURANT OPERATION

Tenant agrees to operate the Premises in a first-class and reputable manner. Without limiting the generality of the foregoing, Tenant shall operate in accordance with the following:

- (a) Tenant shall use and occupy the Premises solely pursuant to the Permitted Use. Tenant shall meet the standards of quality, service, cleanliness and decor of a restaurant.
- (b) With respect to the service of alcoholic beverages, Tenant agrees that:
 - (1) Tenant shall not sell or otherwise serve alcoholic beverages at the Premises without first obtaining a valid liquor license and complying with all terms and conditions of this Lease;
 - (2) No person who appears, in Tenant's reasonable judgment, to be intoxicated or who is or appears to be under age shall be served or continue to be served any alcoholic beverages;
 - (3) Tenant will comply with all applicable codes and ordinances from time to time in effect in regard to the serving of alcoholic beverages, including but not limited to: restrictions as to the serving of alcoholic beverage to minors, the age of persons serving alcoholic beverages and the hours and days during which such beverages may be served; and
 - (4) Tenant will hold Landlord, Landlord's members, and their respective employees, directors, officers and agents, and Landlord's lenders harmless from and indemnify and defend them against any and all liability, loss, cost, damage and/or expense (including reasonable attorney's fees and expenses) of any kind or nature whatsoever, including, but not limited to, that resulting from any injury to or death of any persons or damage to or loss of property, by reason of or in any way relating to Tenant's serving of alcoholic beverages in the Premises including, but not limited to, liability under any dram shop law, host liquor law or similar laws, statutes or ordinances, whether now in effect or hereafter adopted by the State of Illinois, County of Lake or any other governmental authority having jurisdiction or

under common law.

(c) Tenant shall not make or permit any obnoxious noise or odor, in Landlord's reasonable judgment, to emanate from the Premises.

(d) Without limiting Tenant's obligations elsewhere under this Lease, Tenant shall provide the following services and maintenance:

(e) Tenant shall cause extermination services, including treatment for insects, spiders, rats, mice, moles and other rodents, to be provided to the Premises by a reputable exterminator on a monthly basis, or more often as Landlord, in Landlord's reasonable discretion, may require, at Tenant's expense.

(f) The kitchen waste and exhaust systems, including all risers, piping and fans used in connection with such waste and exhaust systems, whether located in or outside of the Premises, including, the grease trap pipes and pans, and all other pipes or ducts used by Tenant, shall be maintained by Tenant in good repair, and so as to meet the highest standards of cleanliness and health, in a manner consistent with the operation of a first-class restaurant and in accordance with all applicable laws, codes and regulations of any governmental authority having jurisdiction, at Tenant's expense.

(g) Without limitation of any of the foregoing, Tenant shall do whatever is necessary in order to maintain properly the grease trap pipes and pans. Tenant shall cause the grease trap pipes and all plumbing pipes to be rooted and cleaned regularly and as often as necessary to prevent clogging or discharge. In the event of any such overflow or discharge, Tenant shall be responsible for all costs of cleanup of the overflow or discharge, including all costs of repair, restoration or replacement of property damaged by such overflow or discharge.

(h) Tenant shall clean the grease pans on a regular basis. Tenant shall cause the exhaust fan, if any, to be maintained in a good state of condition and repair so as to provide the air flow velocities required by applicable codes and regulations. Landlord shall cause all fire sprinkler, fire detection and fire suppression systems and mechanisms to be maintained in accordance with all applicable laws, codes and regulations and the requirements of all applicable policies of insurance and insurance inspectors.

(i) Tenant shall store all trash and other waste in odor and vermin proof containers, such containers to be kept in temperature controlled areas not visible to members of the public. Tenant shall, at Tenant's expense, attend to the frequent disposal of such materials. Trash removal must be done by Tenant using containers approved by Landlord and at such times and in such manner as Landlord may reasonably direct and subject to such rules and regulations in respect thereto as Landlord may, from time to time, reasonably adopt.

(j) In the event Tenant sells alcoholic beverage in the Premises, in addition to other insurance required under this Lease, Tenant shall obtain, pay for and maintain (i)

dram shop insurance with total limits of liability for bodily injury, loss of means of support, and property damage because of each occurrence of not less than \$3,000,000.00, or such greater amounts as Landlord may require, indemnifying Landlord, its members, partners, agents and assigns, Tenant and such other persons as Landlord may designate, against any and all liability relating to the use, sale or giving away of alcoholic liquors; and (ii) product liability insurance with limits of liability of not less than \$1,000,000.00 per occurrence. Tenant shall, prior to the commencement of operations in the restaurant portion of the Premises, furnish to Landlord certificates evidencing such coverage, which certificates shall state that such insurance coverage may not be changed or canceled without at least 30 days' prior written notice to Landlord and Tenant. In the event Tenant shall fail to procure such insurance, Landlord may at its option procure the same for the account of Tenant and the cost thereof shall be paid to Landlord as additional rent upon receipt by Tenant of bills therefor.

(j) Tenant shall be responsible for obtaining, at Tenant's sole cost and expense, all permits and licenses necessary for the operation of its business at the Premises, including, without limitation, a special use permit to operate a restaurant from the Village, if required.

(k) Tenant shall be responsible for installation and maintenance of fire extinguishers and other fire or smoke equipment that may be required or recommended by local building ordinances and fire codes, by Landlord's insurance company, and by any other federal, state or local authority of competent jurisdiction.

ARTICLE XXI. MISCELLANEOUS

(a) This Lease contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, between them or other than as herein set forth.

(b) No notice or other communications given under this Lease shall be effective unless the same is in writing, and is delivered in person, mailed by registered or certified mail, return receipt requested, first class, postage prepaid or delivered by national overnight courier service addressed:

(1) If to Landlord, to the Village of Buffalo Grove, 50 Raupp Boulevard, Buffalo Grove, Illinois 60089, Attention: Mr. Dane Bragg, Village Manager, Office- (847) 459-2500; Fax- (847) 777-6046; Email-dbragg@vbg.org; with a copy to: Schain, Banks, Kenny, & Schwartz, Ltd., Three First National Plaza, 70 West Madison, Suite 2300, Chicago, Illinois 60602, Attention: Patrick Brankin.

(2) If to Tenant, to **WJN GOLF LLC**, an Illinois limited liability company, _____

The date of service of any notice given by mail shall be the date on which such notice is deposited in the U.S. mails and the date of service of any notice given by national overnight courier service shall be the date such notice is delivered by such courier service.

(c) It is the intent of the parties hereto that all questions with respect to the construction of the Lease and the rights and the liabilities of the parties hereto shall be determined in accordance with the laws of the State of Illinois; further, it being expressly agreed that the parties hereto agree that the proper venue for any litigation shall be Lake County, Illinois.

(d) This Lease shall bind and inure to the benefit of the parties hereto and their respective legal representatives, heirs, successors and assigns.

(e) There shall be no personal liability on Landlord, Landlord's beneficiaries or any successor in interest with respect to any provisions of this Lease. Tenant shall look solely to the equity of the then owner of the Premises for the satisfaction of any remedies of the Tenant in the event of a breach by Landlord of any of its obligations hereunder.

(f) Landlord and Tenant warrant and represent to each other that there was no broker or agent instrumental in consummating this Lease. Tenant has not dealt with any broker in connection with, and that no broker of Tenant was the procuring cause of the transaction contemplated by this Lease. Each party agrees to indemnify and hold the other harmless against any claims for brokerage or other commissions arising by reason of a breach of this representation and warranty.

(g) Landlord may sell, convey, transfer or mortgage all or any portion of the Property, including, but not limited to the Premises, all without notice to and without the consent of Tenant. Landlord hereunder shall have the right to freely assign this Lease upon notice to but without the consent of Tenant.

(h) The terms of this Lease shall not be interpreted to mean that Landlord and Tenant are partners or joint venturers.

(i) Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on or in respect of any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant hereunder, Tenant's use or occupancy of the Premises and/or any claim of injury or damage.

(j) If any provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

(k) No failure by Landlord to insist upon the strict performance of any term,

covenant, agreement, provision, condition or limitation of this Lease to be kept, observed or performed by Tenant, and no failure by Landlord to exercise any right or remedy consequent upon a breach of any such term, covenant, agreement, provision, condition or limitation of this Lease, shall constitute a waiver of any such breach or of any such term, covenant, agreement, provision, condition or limitation.

(l) This Lease shall not be recorded against the Property, Premises or any portion thereof.

(m) No employee or agent of Landlord or Landlord's broker, if any, has authority to make a lease or any other warranty, representation, agreement or undertaking. The submission of this document for examination and negotiation does not constitute an offer to lease or a reservation of or option for the Premises, and this document will become effective and binding only upon execution and delivery by Landlord and Tenant.

(n) All Riders and all Exhibits referred to in and attached hereto are hereby incorporated in this Lease.

(o) Tenant hereby represents and warrants to the Landlord that it has the authority to enter into this Lease and the officers, general partner, manager or operator, as the case may be, of the Tenant executing this Lease are authorized to execute this Lease on behalf of the Tenant.

(p) Tenant hereby represents and warrants to the Landlord that the financial statements of the Tenant delivered to the Landlord are true and correct in all respects.

(q) It is expressly understood and agreed by Tenant that none of Landlord's covenants, undertakings, agreements, indemnities and warranties contained in this Lease shall be construed as creating any liability whatsoever against Landlord, its officers, directors or their respective successors and assigns personally, and in particular without limiting the generality of the foregoing, there shall be no personal liability to pay any indebtedness accruing hereunder or to perform any covenant, undertaking, agreement, indemnity, or warranty, either express or implied, contained in this Lease, or to keep, preserve or sequester any property of Landlord, and that all personal liability of Landlord, its officers, directors of every sort, if any, is hereby expressly waived by Tenant, and by every person now or hereafter claiming any right or security under this Lease; and that so far as Landlord, its officers, directors or any successor or assign of the foregoing are concerned, the owner of any indebtedness or liability accruing under this Lease shall look solely to Landlord's interest in the Premises, as the same is from time to time encumbered, for the payment thereof.

(s) Anti-Terrorism Representations. Tenant is not, and shall not during the Term become, a person or entity with whom Landlord is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (commonly known as the "USA Patriot Act") and Executive Order Number 13224 on

Terrorism Financing, effective September 24, 2001 and regulations promulgated pursuant thereto (collectively, "Anti-Terrorism Laws"), including without limitation persons and entities named on the Office of Foreign Asset Control Specially Designated Nationals and Blocked Persons List (collectively, Prohibited Persons"). To the best of its knowledge, Tenant is not currently engaged in any transactions or dealings, or otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Premises. Tenant will not in the future during the Term engage in any transactions or dealings, or be otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Premises. Breach of these representations constitutes a material breach of this Lease and shall entitle Landlord to any and all remedies available thereunder, or at law or in equity.

(t) Tenant hereby leases the land and any and all parking for the use of Tenant, its invitees, employees and customers of Tenant, in the manner and location as shown on Exhibit "B" attached hereto and incorporated herein.

(u) On the Effective Date, the Guaranty ("Guaranty"), a copy of which is attached hereto as Exhibit "J", and the Pledge, a copy of which is attached hereto as Exhibit "K", shall both be executed and delivered as set forth therein.

(v) Notwithstanding anything contained herein to the contrary, nothing contained in this Lease shall be deemed or construed as a waiver of any tort immunity rights in favor of or retained by Landlord, in its municipal capacity, under applicable governmental laws, rules, regulations, and ordinances.

(w) The Village of Buffalo Grove, Illinois enters into this Lease solely in its capacity as a landowner. No provision or term in this Lease shall be interpreted to be an admission, approval, acquiescence, right or permit by or from the Village of Buffalo Grove, Illinois regarding any matter relating to the Village's municipal power and authority except for its authority to fulfill its obligations hereunder. The parties must comply in all respects to the Village's regulatory and permitting ordinances and requirements. Any petition for a special use, variation, liquor license, gaming license, signage or any other permit or approval process will be subject to the regulatory, zoning and permitting ordinances, requirements, hearings, meetings and the Village of Buffalo Grove, Illinois municipal commission and board approval process.

[Signature Page Follows]

IN WITNESS WHEREOF, and intending that this Lease be a sealed instrument, Landlord and Tenant have executed this Lease under seal on the dates indicated below:

LANDLORD:

VILLAGE OF BUFFALO GROVE, ILLINOIS, an Illinois municipal corporation

By: _____
Name: _____
Title: _____

Date of Execution: _____

TENANT:

WJN GOLF LLC, an Illinois limited liability company

By: _____
Name: _____
Title: _____

Date of Execution: _____

Attachment: Final WJ Lease 8.27.21 (O-2021-62 : Ordinance to Execute a Lease Agreement with WJ Golf LLC)

EXHIBIT "A"**LEGAL DESCRIPTION OF PREMISES**

THAT PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 43 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE WOODLANDS AT FIORE UNIT 13 SUBDIVISION, ACCORDING TO THE PLAT RECORDED FEBRUARY 24, 1989 AS DOCUMENT 2768325, SAID POINT BEING 310.33 FEET SOUTH OF THE NORTHWEST CORNER OF SAID EAST HALF AND 54.00 FEET EAST OF THE WEST LINE OF SAID EAST HALF (AS MEASURED ALONG OR AT RIGHT ANGLES TO SAID WEST LINE), SAID POINT ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF BUFFALO GROVE ROAD AS DEDICATED PER DOCUMENT 2560832; THENCE NORTH 82°25'10" EAST A DISTANCE OF 334.90 FEET; THENCE SOUTH 14°24'45" EAST A DISTANCE OF 80.52 FEET; THENCE SOUTH 47°35'03" EAST A DISTANCE OF 111.13 FEET; THENCE SOUTH 27°29'38" WEST A DISTANCE OF 80.06 FEET; THENCE SOUTH 57°28'52" EAST A DISTANCE OF 111.52 FEET; THENCE S77°09'32" EAST A DISTANCE OF 506.07 FEET; THENCE N14°59'55" EAST A DISTANCE OF 141.98 FEET; THENCE NORTH 44°50'06" EAST A DISTANCE OF 148.21 FEET; THENCE NORTHWEST ALONG A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 1100.00 FEET AND AN ARC DISTANCE OF 161.09 FEET (CHORD BEARING NORTH 65°28'27" WEST); THENCE NORTH 61°16'43" WEST A DISTANCE OF 420.24 FEET; THENCE NORTHWEST ALONG A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 766.00 FEET AND AN ARC DISTANCE OF 387.29 FEET (CHORD BEARING NORTH 75°45'47" WEST); THENCE SOUTH 89°45'10" WEST A DISTANCE OF 239.55 FEET; THENCE SOUTH 00°01'52" EAST A DISTANCE OF 252.00 FEET, TO THE POINT OF BEGINNING IN LAKE COUNTY, ILLINOIS.

EXHIBIT “B”

SITE PLAN

EXHIBIT "C"**OPENING AND TERMINATION DATE DECLARATION**

LANDLORD:

TENANT:

PROJECT:

LEASE DATE:

PREMISES NUMBER:

SQUARE FOOTAGE:

Landlord and Tenant acknowledge and agree that the Commencement Date of the above referenced Lease is _____, the Rent Commencement Date is _____ and the Termination Date of the Lease is _____.

LANDLORD:**TENANT:**

By: _____

By: _____

EXHIBIT "D"**DELIVERY OF POSSESSION DATE CERTIFICATE**

LANDLORD:

TENANT:

PROJECT:

LEASE DATE: _____, 202____

SQUARE FOOTAGE OF BUILDING: _____ Square feet

DELIVERY OF POSSESSION DATE:

PROJECTED OPENING DATE:

Landlord and Tenant acknowledge and agrees that the Premises described in the above referenced lease has been delivered to Tenant for the performance of Tenant's Work (as said term is defined in the Lease) on the Delivery of Possession Date noted above.

LANDLORD:

TENANT:

By: _____

By: _____

EXHIBIT "E"**TENANT'S WORK**

Tenant shall design and construct the leasehold improvements pursuant to plans and specifications prepared by Tenant and approved by Landlord pursuant to the terms of this Lease.

Bar portion of Tenant's Work

(to come)

LANDLORD'S WORK

To come

EXHIBIT “F”**SIGN CRITERIA**

All of Tenant's signage shall comply with all existing ordinances of the Village of Buffalo Grove, Illinois.

EXHIBIT "G"**PROHIBITED USES/EXCLUSIVES**

Adult Books
Adult Video
Animal raising, except for the raising and sale of domestic and imported pets
Bingo Parlor
Bowling Alley
Carnival
Dance Hall
Drug Rehabilitation
Dry Cleaning Plant
Dumping
Factory
Flea Market
Funeral Parlor
Government office
Halfway House
Head Shop
Junk Yard
Manufacturing
Pawn Shop
Poolroom/Billiards unless incidental to permitted restaurant or bar use
Rendering Plant
Sale of cars, trucks, boats, mobile homes or other vehicles
Sale of fire arms or ammunition
Salvage Shop
Service Stations
Sex Shop
Shooting Gallery
Skating Rink
Surplus Store
Topless or Nude Show
Warehouse

EXHIBIT "H"**INSURANCE COVERAGES**

- (a) Liability Insurance. Tenant shall, at all times, at its sole cost and expense, maintain, or cause to be maintained, Commercial General Liability Insurance, which includes premises/operations, contractual liability, personal/advertising injury, broad-form property damage, independent contractors, underground explosion and collapse, and products/completed operations coverages, against claims for personal injury or death and property damage occasioned by an incident occurring upon, in or about the Premises. Such insurance in each case shall be reasonable in Landlord's discretion and have a minimum amount of:

\$1,000,000 each occurrence
 \$2,000,000 annual aggregate
 \$2,000,000 products and completed operations annual aggregate
 \$1,000,000 personal injury and advertising

and with umbrella coverage in the amount of at least \$_____ each occurrence and \$_____ annual aggregate, in addition to any further requirements as set forth in Section 9.01 hereunder, which limits may be obtained through a combination of primary and umbrella or Excess Policies. The insurance shall be issued by an insurer having an A.M. Best rating of not less than "A-:VII".

- (b) Insurance Requirement for Contractors and Subcontractors. Prior to commencing construction, repair or replacement of any improvements on the Premises, Tenant shall procure and maintain, or cause its contractor(s) and subcontractor(s) to procure and maintain or cause to be maintained, in full force and effect, at all times during the course of their work in, on or about the Premises, the following insurance coverages:
- (i) Workers' Compensation insurance as required by the Illinois Workers' Compensation Act and Employers Liability insurance subject to the following minimum limits: \$500,000 each accident; \$500,000 disease-each employee; \$500,000 disease-policy limit. A waiver of subrogation will be provided, in favor of the additional insureds.
 - (ii) Commercial General Liability insurance, written on an ISO Form published no earlier than 1998, including coverages for premises/operations (to be maintained no less than two (2) years following completion of the work), underground explosion, collapse hazard, completed operations, contractual liability and "broad form" property damage, in the amounts of:

\$1,000,000 each occurrence
 \$2,000,000 annual aggregate
 \$2,000,000 products and completed operations annual aggregate
 \$1,000,000 personal injury and advertising

for incidents of bodily injury, death and/or property damage, which shall name Landlord and Landlord's lender as an additional insured on a primary and non-contributory basis using Form CG2010 11 85 or its equivalent. A waiver of subrogation will be provided, in favor of the additional insureds.

- (iii) Commercial Automobile Liability insurance, including coverages for owned, non-owned and hired vehicles, in the amount of One Million and 00/100 Dollars (\$1,000,000.00) per occurrence.
- (iv) Umbrella coverage in the amount of at least \$5,000,000.00 each occurrence and \$5,000,000.00 annual aggregate.
- (v) The insurance shall be issued by an insurer having an A.M. Best rating of not less than "A-VII".

EXHIBIT “I”

FF&E

EXHIBIT "J"**GUARANTY**

In consideration of, and as an inducement for the granting, execution and delivery of the within Lease dated as of _____, 2021 (the "Lease"), by the **VILLAGE OF BUFFALO GROVE, ILLINOIS**, an Illinois municipal corporation, the Landlord therein named ("Landlord"), to **WJN GOLF LLC**, an Illinois limited liability company, d/b/a "WJ Golf", the tenant therein named ("Tenant"), and in further consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by Landlord to the undersigned, _____ (hereinafter referred to as "Guarantor"), Guarantor hereby guarantees to Landlord, its successors and assigns, the full and prompt payment of Rent and additional rent (including, but not limited to, the Minimum Rent, Exterior Expenses, Taxes, utility charges, and other costs or charges payable by Tenant under the Lease) and any and all other sums and charges payable by Tenant and its successors and assigns, under the Lease, and the full, faithful and prompt performance and observance of all the covenants, terms, conditions and agreements therein provided to be performed and observed by Tenant and Tenant's successors and assigns. Guarantor does hereby become surety to Landlord, its successors and assigns for and with respect to all of the aforesaid obligations of Tenant under the Lease. Guarantor hereby covenants and agrees to and with Landlord, its successors and assigns, that if default shall at any time be made by Tenant, Tenant's representatives, successors and assigns, in the payment of any such rent or other sums or charges payable by Tenant under the Lease or in the performance of any of the covenants, terms, conditions or agreements contained in the Lease, Guarantor will forthwith pay such Minimum Rent and other sums or charges to Landlord, its successors and assigns, and any arrears thereof, and will forthwith faithfully perform and fulfill all of such covenants, terms, conditions and agreements, and will forthwith pay to Landlord all damages and all costs and expenses that may arise in consequence of any default by Tenant, Tenant's representatives, successors and assigns, under the Lease (including, without limitation, all attorneys' fees incurred by Landlord or caused by any such default and/or by the enforcement of this Guaranty).

This Guaranty is an absolute and unconditional guaranty of payment and of performance and is a surety agreement. Guarantor's liability hereunder is direct and may be enforced without Landlord being required to resort to any other right, remedy, or security and this Guaranty shall be enforceable against Guarantor, Guarantor's heirs, executors, administrators, representatives, successors and assigns, without the necessity for any suit or proceedings on Landlord's part of any kind or nature whatsoever against Tenant, Tenant's heirs, executors, administrators, representatives, successors and assigns, and without the necessity of any notice of non-payment, non-performance or non-observance or the continuance of any such default or of any notice of acceptance of this Guaranty or of Landlord's intention to act in reliance hereon or of any other notice or demand to which Guarantor might otherwise be entitled, all of which Guarantor hereby

expressly waives; and Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall in no way be terminated, affected or impaired by reason of the assertion or the failure to assert by Landlord against Tenant, or Tenant's heirs, executors, administrators, representatives, successors or assigns, of any of the rights or remedies reserved to the Landlord pursuant to the provisions of the Lease.

This Guaranty shall be a continuing guaranty, and (whether or not Guarantor shall have notice or knowledge of any of the following) the liability and obligation of Guarantor hereunder shall be absolute and unconditional and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way impaired by (a) any amendment or modification of, or supplement to, or extension or renewal of, the Lease or any assignment or transfer thereof; (b) any exercise or non-exercise of any right, power, remedy or privilege under or in respect of the Lease or this Guaranty or any waiver, consent or approval by Landlord with respect to any of the covenants, terms, conditions or agreements contained in the Lease or any indulgences, forbearances or extensions of time for performance or observance allowed to Tenant from time to time and for any length of time; (c) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar proceeding relating to Tenant, Tenant's, representatives, successors and assigns or its properties or creditors; (d) any limitation on the liability or obligation of Tenant under the Lease or its estate in bankruptcy or of any remedy for the enforcement thereof; resulting from the operation of any present or future provision of the National Bankruptcy Act, Bankruptcy Code or other statute or from the decision of any court; (e) any transfer by Tenant or any assignment of its interest under the Lease; or (f) the death or incapacity of Tenant or any Guarantor.

All of the Landlord's rights and remedies under the Lease and under this Guaranty are intended to be distinct, separate and cumulative and no such right and remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any of the others. No termination of the Lease or taking or recovering of the premises leased thereby shall deprive Landlord of any of its rights and remedies against Guarantor under this Guaranty. This Guaranty shall apply to Tenant's obligations pursuant to any extension, renewal, amendment, modification and supplement of or to the Lease, including but not limited to a lease termination agreement, as well as to Tenant's obligations thereunder during the original term thereof in accordance with the original provisions thereof.

Guarantor represents and warrants to Landlord that (a) the execution and delivery of this Guaranty has been duly authorized by the Board of Directors or Managers, if applicable, of Guarantor and (b) the making of this Guaranty does not require any vote or consent of the shareholders of Guarantor.

As a further inducement to the Landlord to make and enter into the Lease and in consideration thereof; Guarantor covenants and agrees that in any action or proceeding brought on, under or by virtue of this Guaranty, Guarantor shall and does hereby waive trial by jury.

This Guaranty shall be legally binding upon Guarantor and Guarantor's heirs, executors, administrators, representatives, successors and assigns. If this Guaranty is signed by more than one person, all obligations hereunder shall be joint and several.

The liability of Guarantor hereunder is irrevocable, continuing, absolute, independent and unconditional and shall in no way be affected by any circumstance which may constitute a defense or legal or equitable discharge, in whole or in part, including, without limitation, (a) the release or discharge of Tenant or the impairment or modification of its liability in any creditors', receivership, or bankruptcy proceeding or from any other cause whatsoever; (b) any alteration of or amendment to the Lease regardless of whether such alteration or amendment has been consented to by the Guarantor; (c) any sale, assignment, sublease, pledge or mortgage of the rights of Tenant under the Lease; (d) any application or release of any security or other guaranty given for the performance and observance of the covenants and conditions in the Lease on Tenant's part to be performed and observed; or (e) any defense to enforcement of this Guaranty that Guarantor is entitled to assert and Guarantor hereby waives the right to assert any such defense including, but not limited to, those based on (i) failure of Tenant to qualify to do business in the jurisdiction where the property subject to the Lease is located, (ii) lack of corporate authority by Tenant to enter into the Lease or to carry out the provisions of its Lease, (iii) lack of Tenant's due authorization, execution and delivery of the Lease, (iv) unenforceability of the Lease against Tenant in accordance with its terms, (v) any charter or bylaw provision or agreement, statute, rule or regulation binding on Tenant which conflicts with Tenant's Lease or the performance of any obligation of Tenant under Lease or (vi) any stay or other impediment to the exercise of Landlord's rights hereunder resulting from any bankruptcy or other insolvency proceeding and in this respect Guarantor recognizes Landlord's right to receive interest on any obligations guaranteed hereby after the commencement of any such bankruptcy or insolvency proceeding.

Notwithstanding anything contained herein to the contrary, the liability of Guarantor under this Guaranty shall be limited to One Hundred and Fifty Thousand and No/100 Dollars (\$150,000.00), plus costs, fees, attorney's fees and court costs of enforcement of this Guaranty. Provided Tenant is not in Default at the expiration of the third (3rd) year of the Lease Term, Guarantor liability hereunder shall be reduced to One Hundred Thousand and No/100 Dollars (\$100,000.00), plus costs, fees, attorney's fees and court costs of enforcement of this Guaranty. Provided Tenant is not in Default at the expiration of the fifth (5th) year of the Lease Term, Guarantor liability hereunder shall be reduced to Fifty Thousand and No/100 Dollars (\$50,000.00), plus costs, fees, attorney's fees and court costs of enforcement of this Guaranty, for the remainder of the Lease Term, plus any and all Option periods exercised by Tenant.

(SIGNATURE AND NOTARY APPEAR ON THE FOLLOWING PAGES)

IN WITNESS WHEREOF, Guarantor, intending to be legally bound hereby, has executed this Guaranty as of this ____ day of _____, 2021.

NAME: _____

ADDRESS: _____

Social Security Number: _____

EXHIBIT "K"**COLLATERAL PLEDGE AGREEMENT**

THIS AGREEMENT ("Agreement"), is made and entered into this ____ day of _____, 2021 ("Effective Date") by and between **VILLAGE OF BUFFALO GROVE**, an Illinois home rule municipality ("Landlord" or "Secured Party"), and **WJN GOLF LLC**, an Illinois limited liability company, d/b/a "WJ Golf" ("Pledgor" or "Tenant") (Landlord and Tenant shall each sometimes hereinafter be individually referred to as "Party" or, collectively, "Parties").

WITNESSETH:

WHEREAS, the Landlord and Pledgor, as Tenant, entered into that certain Lease Agreement dated _____, 2021 ("Lease") wherein Landlord leased to Tenant and Tenant accepted from Landlord certain land, building and facilities located within the Village of Buffalo Grove Arboretum Golf Course, including but not limited to the Club House, located at 401 Half Day Road, Buffalo Grove, Illinois 60089, so that Tenant may conduct on such land, building and facilities a restaurant and banquet facilities, indoor golf with golf simulators, entertainment and gaming facility that are all open to the general public, along with cart service for golfers on the golf course and related specialty items for sale, pursuant to the terms of the Lease;

WHEREAS, pursuant to the Lease, Tenant purchased from Landlord the current restaurant equipment, and dining room furniture of the Arboretum Club (collectively "FF&E");

WHEREAS, In order to collaterally secure the unconditional and irrevocable payment and performance of the obligations, whether now existing or hereafter arising, by Tenant under the Lease, the Tenant has agreed to and shall unconditionally and irrevocably assign, convey, mortgage, pledge, hypothecate, transfer and set over to Landlord, and hereby grants to Landlord a properly perfected, valid and enforceable, assignment of and continuing security interest in Tenant's FF&E; and

WHEREAS, the Parties have agreed to enter into a formal Collateral Pledge Agreement with respect to such pledge;

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. **Recitals; Definitions; Conflicts.** The recitals set forth hereinabove are

hereby incorporated into and made a part of this Agreement. All capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Lease. Wherever the terms and conditions of this Agreement conflict with the terms and conditions of the Lease, the terms and conditions of this Agreement shall control and govern.

2. **Agreement and Pledge.** This Agreement is made and given as a collateral pledge to collaterally secure the unconditional and irrevocable payment and performance of the obligations, whether now existing or hereafter arising, by Tenant under the Lease. The Pledgor hereby unconditionally and irrevocably assigns, conveys, mortgages, pledges, hypothecates, transfers and sets over to Landlord, and hereby grants to Landlord a priority, properly perfected, valid and enforceable, agreement of and continuing security interest in the Collateral, as hereinafter defined. This Agreement is intended to be a security agreement under the Code with respect to all or any portion of the Collateral to the full extent that, under applicable law, the Collateral may be subject to a security interest under the Code, whether acquired as of the date of this Agreement or in the future.

3. **Financing Statements.** Pledgor hereby authorizes Landlord to file concurrently with the execution of this Agreement such UCC Financing Statements in such locations as are necessary, and to take all such other actions and make such further filings as Landlord may request, in order to perfect Landlord's priority, exclusive and continuing security interest in the Collateral pursuant hereto. The Financing Statement shall be in form acceptable for filing in each jurisdiction in which the same are to be filed, shall comply in all respects with the Uniform Commercial Code and shall contain a description of "Collateral", which is Tenant's FF&E, that is substantially similar to the description set forth on attached Exhibit "A". Pledgor hereby agrees to pay all filing fees and other costs incurred in connection with the filing of such Financing Statements.

4. **Collateral and Title to Collateral.** The Pledgor represents and warrants that the Pledgor is the owner of all of the collateral pledged herein, which is Tenant's FF&E, (the "Collateral") free from any liens, security interest, encumbrance or other right, title or interest of any other person, firm or corporation. The Collateral is as set forth on Exhibit "A", attached hereto and incorporated herein. The Pledgor shall defend the Collateral against all claims and demands of all persons at any time, claiming the same or any interest therein adverse to the Landlord.

5. **No Assumption by Landlord.** Notwithstanding any of the foregoing, irrespective of whether there has occurred an Event of Default under the Lease and whether or not Landlord shall have foreclosed or otherwise realized on the Collateral, neither this Agreement nor any exercise by Landlord of any of its rights and remedies hereunder shall in any way obligate Landlord to assume, or constitute or be deemed to constitute an assumption of, any of Pledgor's obligations, duties, expenses or liabilities with respect to the Collateral. Pledgor acknowledges and agrees that it shall at all times remain liable for performance of all obligations, duties, expenses or liabilities with respect to the Collateral and the Lease, regardless of whether there has occurred an Event of Default under the Lease and whether or not Landlord shall have foreclosed or otherwise

realized on the Collateral, and that Landlord shall in no event be liable therefor or deemed to have assumed the same.

6.. REPRESENTATIONS AND WARRANTIES

Pledgor hereby makes the following representations and warranties for the benefit of Landlord, all of which shall be deemed to be continuing and continually remade until the full, unconditional and irrevocable payment and performance of all indebtedness and obligations due under the Lease:

6.1 **Organizational Status.** Pledgor is a an Illinois limited liability company, duly organized, validly existing and in good standing under the laws of the State of Illinois and in good standing and qualified to conduct its business in the State of Illinois and each other jurisdiction in which it does business.

6.2 **Power and Authority.** Pledgor has full power and authority to enter into and perform this Agreement, each and all of the documents and certificates executed or to be executed and delivered by the Pledgor in connection herewith, each of the other pledge documents and each and all of the transactions contemplated hereby and thereby in accordance with the terms hereof and thereof. Further, Pledgor has by all necessary action, validly authorized the execution, delivery and performance of this Agreement, each and all of the documents and certificates executed or to be executed and delivered by the Pledgor in connection herewith, each of the other pledge documents and the transactions contemplated hereby and thereby in accordance with the terms hereof and thereof. Each individual executing this Agreement, each of the documents and certificates executed or to be executed and delivered by Pledgor in connection herewith and each of the other pledge Documents on behalf of Pledgor, is the competent, duly appointed and authorized signatory on behalf of the Pledgor represented, with full legal capacity, power and authority, acting alone, to act on behalf of and bind the Pledgor represented in all respects.

6.3 **Agreement Binding.** This Agreement, each of the documents and certificates executed and delivered, or to be executed and delivered, by Pledgor are, or will be when executed and delivered, the legal, valid and binding obligations of Pledgor, enforceable against them in accordance with the terms hereof and thereof.

6.4 **Actions Against Pledgor.** Pledgor has no knowledge of any material action, material proceeding or bankruptcy proceeding pending or threatened against Pledgor and/or the Collateral.

6.5 **Approvals.** Neither the execution and delivery of this Agreement, the documents and certificates to be executed and delivered in connection herewith, the other pledge Documents nor the consummation or performance of the

transactions contemplated hereby or thereby require the consent or approval of any governmental authority or any other person.

6.6 **No Duress.** This Agreement is made voluntarily without any duress or undue influence of any kind.

6.7 **No Violation of Laws, etc.** Neither this Agreement, any of the other documents or certificates to be executed in connection herewith or any of the other pledge documents or transactions contemplated thereby violate or are in contravention of any legal requirements applicable to the Collateral, or, to the knowledge of Pledgor, any other mortgage, pledge, indenture, lease, security agreement or other agreement to which Pledgor is a party.

6.8 **Solvency; No Fraudulent Conveyance.** Pledgor represents and warrants that this Agreement is not being made by it with any intent to hinder, delay or defraud any creditors to which it is or may hereafter become indebted; that it does not intend to incur or believe that it will incur, debts that would be beyond its ability to pay as such debts matured. Pledgor acknowledges that it is receiving new, fair, reasonably equivalent value in exchange for this Agreement and the transactions contemplated hereby, and affirmatively represents that neither its entry into this Agreement nor the consummation of the transactions contemplated hereby constitutes a fraudulent conveyance or preferential transfer under the Bankruptcy Code or any other federal, state or local laws affecting the rights of creditors generally.

6.7 **Ownership of Collateral.** Pledgor is the legal, record and beneficial owner of, and have good and marketable title to, the Collateral. Except for the Agreement to Landlord pursuant hereto, there has been no prior Transfer (as defined in Section 7.1, hereunder) of any of the Collateral.

6.9 **Books and Records.** Pledgor hereby represent that Pledgor maintains books and records for purposes of registering the ownership of Collateral, and that written notations have been made concurrently with the execution of this Agreement sufficient to notify all Persons of this Agreement and each of the other pledge documents.

6.10 **Security Interest/Place of Business.** Upon the execution and delivery hereof and the filing of the Financing Statements with the Secretary of State of the State of Illinois, this Agreement will create in favor of Landlord valid and enforceable, properly perfected, first lien on all of the Collateral. Further, the first lien and security interest granted to Landlord pursuant hereto shall at all times be and remain a properly perfected, valid and enforceable lien on the Collateral. The addresses for Pledgor's principal place of business and chief executive offices or primary residences is indicated herein.

7. COVENANTS

Until such time as the indebtedness and obligations under the Lease are fully, unconditionally and irrevocably paid and performed in full, Pledgor hereby covenants and agrees as follows:

7.1 **No Transfer.** There shall be no conveyance, sale, agreement, transfer, pledge, mortgage, security interest or other encumbrance, charge or alienation (or any agreement to do any of the foregoing) of, in or to any of the Collateral, whether directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise ("Transfer"), without the prior written consent of Landlord, which may be granted, conditioned or withheld in Landlord's sole discretion. Pledgor hereby acknowledges and agrees that no Transfer of any of the Collateral, whether or not consented to by Landlord (no consent to any such sale, agreement, pledge, hypothecation, conveyance or other transfer being implied hereby) shall be effective unless and until such transferee or successor executes, delivers, files and records, as applicable, an assumption agreement, in the form and content satisfactory to Landlord in its sole discretion, agreeing to assign the Collateral to be transferred in accordance with the provisions of this Agreement and assume, be bound by and to comply with and join in the terms and conditions of this Agreement, the Financing Statements, and the Lease, and further takes such other actions and delivers such other documents, instruments and certificates as Landlord may request for purposes of preserving, maintaining, continuing and perfecting the valid and enforceable lien and security interest created hereby in such Collateral. Pledgor hereby covenants and agrees that any attempted Transfer of any ownership interest in the Collateral not in accordance with the foregoing shall be ineffective and deemed null and void, ab initio.

7.2 **Company Books and Records.** Pledgor shall take, or cause to be taken, all such actions as are necessary to cause Pledgor to mark its respective books and records with a notation that Pledgor has assigned and pledged the Collateral to Landlord pursuant hereto and to keep as a part of such books and records a fully signed copy of this Agreement and each of the other pledge documents.

7.3 **Compliance with Securities Laws.** Pledgor shall take all such actions as are necessary, and shall cause Pledge to comply in all respects with all applicable Securities Laws.

7.4 **Protection of Collateral.** Pledgor will protect and defend Landlord's right, title, claim of possession, lien and security interest in and to the Collateral against the claims and demands of all persons whomsoever. Further, Pledgor shall pay and discharge as and when due all liens, claims, charges, taxes, other governmental charges and contractual obligations that may affect its Collateral or any portion thereof

7.5 **Notice of Default.** Pledgor shall notify Landlord of the existence of any Event of Default under the Lease, or any event or condition which with the giving of notice, the passages of time or both could reasonably constitute an Event of Default under the Lease, promptly upon obtaining knowledge of the existence thereof.

7.6 **Change of Address.** No later than thirty (30) days prior to any change in address or principal place of business, as applicable, by Pledgor from the address or principal place of business set forth herein, that Pledgor shall notify Landlord in

writing of such change in address or principal place of business, as applicable, and include in such notice the full and complete new address and principal place of business for that Pledgor.

7.7 Further Cooperation. Pledgor hereby agrees: (a) to deliver to Landlord, immediately upon receipt thereof, any and all instruments, certificates or other documents, whether now or hereafter existing, evidencing any of the Collateral; and (b) to execute and deliver a notice of Landlord's priority, perfected, exclusive and continuing security interest in the Collateral (which notice shall be in form and substance satisfactory to Landlord and may require an acknowledgement from the addressee), to any third party which now has or may have the ability under applicable law or the terms of any agreement to record transfers of, or to transfer, any of the Collateral (whether at the discretion of the Pledgor or otherwise).

7.8 Waiver of Rights by Pledgor. Pledgor, on behalf of itself and any persons claiming by, through or under it, hereby knowingly, intentionally and voluntarily waives:

(a) presentment, demand, protest or any notice of any kind in connection with this Agreement;

(b) all rights, if any, of redemption, appraisement, valuation, marshalling, stay, execution or moratorium now or hereafter in force under applicable law in order to prevent or delay the enforcement of this Agreement or any of the other pledge documents or the absolute sale of the Collateral or any portion thereof.

(c) All statutes of limitations as a defense to any action or proceeding brought against Pledgor by Secured Party, to the fullest extent permitted by law;

(d) Any right they may have to require Secured Party to proceed against any other party, proceed against or exhaust any security held from or any other party, or pursue any other remedy in Secured Party's power to pursue;

(e) Any defense based on: (i) any legal disability of Pledgor, and (ii) any rejection, disallowance or disaffirmance of the Tenant's obligations under the Lease, or any part of it, or any security held for it, in any insolvency proceeding;

(f) Any defense based on any action taken or omitted by Secured Party in any insolvency proceeding involving Pledgor, including, without limitation, filing, defending, settling or obtaining a judgment or order on any proof of claim or any adversary proceeding, making any election to have Secured Party's claim allowed as being secured, partially secured or unsecured, including any election under 11 U.S.C. Section 1111(b), seeking relief from the automatic stay or adequate protection, including submitting an appraisal of any security, voting to reject or accept or failing to vote on any reorganization plan, making any extension of credit by Secured Party to Pledgor in any insolvency proceeding, and the taking and holding by Secured Party of any security for any such extension of credit, whether or not such security is also security for the Indebtedness;

(g) All claims, demands, liabilities and damages occasioned by any lawful taking of possession or disposition of the Collateral; and

(h) All other requirements as to the times, place and terms of sale and other requirements with respect to Secured Party's enforcement of its rights hereunder.

7.9 **RECOURSE.** NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN ANY OF THE OTHER LOAN DOCUMENTS TO THE CONTRARY, THE LIABILITY OF PLEDGOR IN ITS CAPACITY AS PLEDGOR UNDER THIS AGREEMENT SHALL BE LIMITED TO PLEDGOR'S RIGHTS IN THE COLLATERAL, WHICH HAS BEEN COLLATERALLY ASSIGNED TO LANDLORD PURSUANT TO THIS AGREEMENT; PROVIDED, HOWEVER, THAT THE FOREGOING LIMITATION SHALL NOT LESSEN OR OTHERWISE AFFECT THE LIABILITY OF PLEDGOR UNDER THE LEASE.

7.10 **Rights Continuing.** The rights and powers of Landlord hereunder shall continue and remain in full force and effect until all indebtedness and other obligations under the Lease have been irrevocably and unconditionally paid and performed in full and shall continue after sale of the Collateral until expiration of any right of redemption, notwithstanding sale of the Collateral to a purchaser other than Landlord. Further, Pledgor hereby acknowledges and agrees that Landlord shall not be required to exercise its rights against any person other than the Pledgor who is liable for all or any portion of the indebtedness and other obligations under the Lease or against any collateral for the indebtedness and other obligations under the Lease other than the Collateral prior to exercising its rights and remedies against Pledgor and the Collateral pursuant hereto. Without affecting the liability of the Pledgor for payment and performance of the indebtedness and other obligations under the Lease and without affecting Landlord's lien and security interests in the Collateral created hereby, Landlord may release, at any time and from time to time, any person liable for, or any security or other collateral for the indebtedness and other obligations under the Lease.

7.11 **Expenses of Default.** Pledgor agree to pay on demand the amount of all costs and expenses incurred by Landlord in protecting and realizing on its interest in the Collateral and further agree that if this Agreement is referred to an attorney for protecting or defending the priority of Landlord's interest in or lien on the Collateral or for collecting or realizing thereon, Pledgor shall pay upon demand all of Landlord's expenses, including reasonable attorneys' fees and costs (whether incurred in connection with non-judicial action, prior to trial, at trial, or on appeal or review, including in any Insolvency Proceeding), other professional fees and costs, and expenses of title search and all court costs and costs of public officials. Pledgor hereby further agree that their obligation to pay such amounts shall be secured hereby and constitute a part of the Secured Obligations.

7.12 **No Waiver.** The exercise by Landlord of any one right or remedy hereunder, under the Lease and any of the other pledge documents, or any other

guaranty, at law or in equity shall not be a waiver of Landlord's right to exercise at the same time or thereafter any other right or remedy, and no delay in exercising or failing to exercise any rights or remedies of Landlord hereunder, under the Lease and any of the other pledge documents, or any other guaranty, at law or in equity, following any Event of Default, or any event which, with the giving of notice or the passage of time or both would constitute an Event of Default, in any one or more instances, or acceptance by Landlord of partial payments or partial performance, shall constitute, or be deemed to constitute, a waiver of any such Event of Default, a waiver of the right to exercise any such rights or remedies at any time thereafter or upon the occurrence of any subsequent Event of Default, or a release, satisfaction or discharge of the terms hereof, of any of the other pledge documents or the Loan Documents, all such rights, remedies, terms and documents remaining continuously in force. Any waiver or release by Landlord of any Event of Default, or any event which, with the giving of notice or the passage of time or both would constitute an Event of Default, or any waiver of rights or remedies hereunder, under the Lease and any of the other pledge documents, or any other guaranty, at law or in equity (no obligation or agreement to waive or release or discharge any of the foregoing being implied hereby), may be effected only through a written document executed by Landlord and then only to the extent of any waiver, release, discharge or satisfaction specifically set forth therein. A waiver or release in connection with any one event or any particular right or remedy shall not be construed as a waiver or release of any subsequent event or as a bar to any subsequent exercise of Landlord's rights or remedies hereunder, subsequent event or as a bar to any subsequent exercise of Landlord's rights or remedies hereunder, under the Lease and any of the other pledge documents, or any other guaranty, at law or in equity.

7.13 Remedies Cumulative. All rights and remedies set forth in this Agreement are cumulative, and the Landlord may recover judgment thereon, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy afforded hereby. No consent or waiver, express or implied, by any interested party referred to herein, to or of any breach or default by any other interest party referred to herein, in the performance by such other party or any obligations contained herein shall be deemed a consent to, or waiver of, the performance by such party of any other obligations hereunder or the performance by any other interested party referred to herein of the same, or of any other, obligations hereunder.

7.14 Revival and Reinstatement. If Landlord is required to pay, return or restore to Pledgor any other person any amounts previously paid on the indebtedness or obligations under the Lease and any of the other pledge documents, or any other guaranty, because of any bankruptcy proceeding of Pledgor, any stop notice or any other reason, the obligations of Pledgor shall be reinstated and revived and the rights of Landlord shall continue with regard to such amounts, all as though they had never been paid, and this Agreement shall continue to be effective or be reinstated, as the case may be.

8. **Landlord's Right to Assign.** Landlord shall have the right to sell, assign, participate, pledge, transfer or otherwise dispose of its interest in this Agreement. From and after the date of any such sale, assignment, participation, pledge, transfer or other disposition, such transferee shall be entitled to exercise any and all rights and remedies of Landlord hereunder as fully and with the same force and effect as if such transferee had been named the Secured Party hereunder. Pledgor shall not assign, convey or otherwise transfer any of its rights and obligations hereunder except upon the Secured Party's prior consent and approval, which consent and approval may be withheld in Secured Party's sole and exclusive judgment and discretion.

9. **Default.** At any time that a "Default" or "Event of Default" exists under the Lease (as defined therein), regardless of whether or not the maturity of the principal thereof is accelerated, or at any time that a "Default" or "Event of Default" exists under the Lease, Landlord may exercise any one or more of the rights or remedies set forth in the Note, with respect to the Collateral Pledge Agreement, Landlord shall have full power and authority to exercise all or any one or more of the remedies and shall have all the rights of a Landlord under the Uniform Commercial Code of the State of Illinois (the "Code"). Any requirement of the Code for reasonable notice shall be met if such notice is mailed by United States certified or equivalent mail, return receipt requested, postage prepaid, to Pledgor (or at such other address as the party to receive such notice may have designated by written notice to Landlord received not less than three (3) business days prior to such mailing) at least twenty (20) days prior to the time of the sale, disposition or other event or thing giving rise to the requirement of notice (which period and method of giving notice is hereby agreed to be commercially reasonable). The right of Landlord to be the purchaser for its own account at any sale or other disposition of the Collateral shall not be adversely affected by any matter whatsoever.

Any and all amounts received by Landlord by reason of the foregoing paragraph, after first deducting all reasonable legal or other costs and expenses incurred in effecting such realization, shall be applied to pay all or such portion of the indebtedness hereby secured as Landlord shall deem proper, any overplus to be returned to Pledgor. Upon full payment and performance of all indebtedness, obligations and liabilities hereby secured, or as mutually agreed by the Parties, Landlord agrees to release this Agreement and the lien or charge created hereby or resulting herefrom.

10. **Binding on Successors and Assigns.** This Agreement and all provisions hereof shall be binding upon Pledgor, Landlord and their successors, assigns, and legal representatives and all other persons or entities claiming under or through Pledgor and Landlord, respectively.

11. **Governing Law.** This Agreement shall be governed by the laws of the State of Illinois. The headings of paragraphs in this Agreement are for convenience only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions hereof. As used in this Agreement, the singular shall include the plural and the plural shall include the singular, and masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires. If any provision of this Agreement, or any

paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstances, is adjudicated to be invalid, the validity of the remainder of this Agreement shall be construed as if such invalid part were never included herein. Time is of the essence of this Agreement.

12. **No Third-Party Beneficiary.** The provisions of this Agreement are solely for the benefit of Secured Party and its successors and assigns. No provision of this Agreement shall be construed as creating in any party other than Pledgor and Secured Party, and their successors and assigns, any rights of any nature whatsoever.

13. **WAIVER OF TRIAL BY JURY.** PLEDGOR, FOR ITSELF AND ALL PERSONS OR ENTITIES CLAIMING BY, THROUGH OR UNDER IT, HEREBY EXPRESSLY, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO TRIAL BY JURY IN ANY LITIGATION OR ACTION BROUGHT ON, UNDER OR BY VIRTUE OF OR RELATING IN ANY WAY TO THIS AGREEMENT, OR ANY CLAIMS, DEFENSES, RIGHTS OF SET-OFF OR OTHER ACTIONS PERTAINING HERETO OR THERETO. THIS WAIVER MAY BE FILED WITH THE CLERK OR JUDGE OF ANY COURT AS A WRITTEN CONSENT TO WAIVER OF JURY TRIAL. PLEDGOR ACKNOWLEDGES THAT IT HAS CONSULTED WITH LEGAL COUNSEL REGARDING THE MEANING OF THIS WAIVER AND ACKNOWLEDGES THAT THIS WAIVER IS AN ESSENTIAL INDUCEMENT FOR SECURED PARTY'S ENTERING INTO THIS AGREEMENT AND THIS WAIVER SHALL SURVIVE THE REPAYMENT OF THE INDEBTEDNESS.

14. **Time is of the Essence.** TIME IS OF THE ESSENCE under this Agreement and each and every provision hereof and thereof.

15. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute but one original. This Agreement shall not be effective unless and until executed and delivered by Pledgor and Secured Party in one or more counterparts. Facsimile and electronic mail signatures hereon shall be treated the same as and provided the same legal significance as original signatures hereon.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date and year first above written.

PLEDGOR:

WJN GOLF LLC, an Illinois limited liability company

By: _____
 Name: _____
 Its: _____

Address for Pledgor's principal place of business and chief executive offices for notices:

LANDLORD:

VILLAGE OF BUFFALO GROVE, an Illinois home rule municipality

By: _____
 Name: _____
 Its: _____

Address for Landlord's municipal executive offices for notices:

50 Raupp Boulevard
 Buffalo Grove, Illinois 60089

STATE OF _____)
) SS.
 COUNTY OF _____)

I, _____, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the _____ of _____ a(n) _____, and the same person whose name is subscribed to the foregoing Collateral Pledge Agreement, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered the said instrument, on behalf of the corporation and as his/her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this ____ day of _____, 2021.

 Notary Public

STATE OF _____)
) SS.
 COUNTY OF _____)

I, _____, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the _____ of _____ a(n) _____, and the same person whose name is subscribed to the foregoing Collateral Pledge Agreement, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered the said instrument, on behalf of the corporation and as his/her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this ____ day of _____, 2021.

 Notary Public

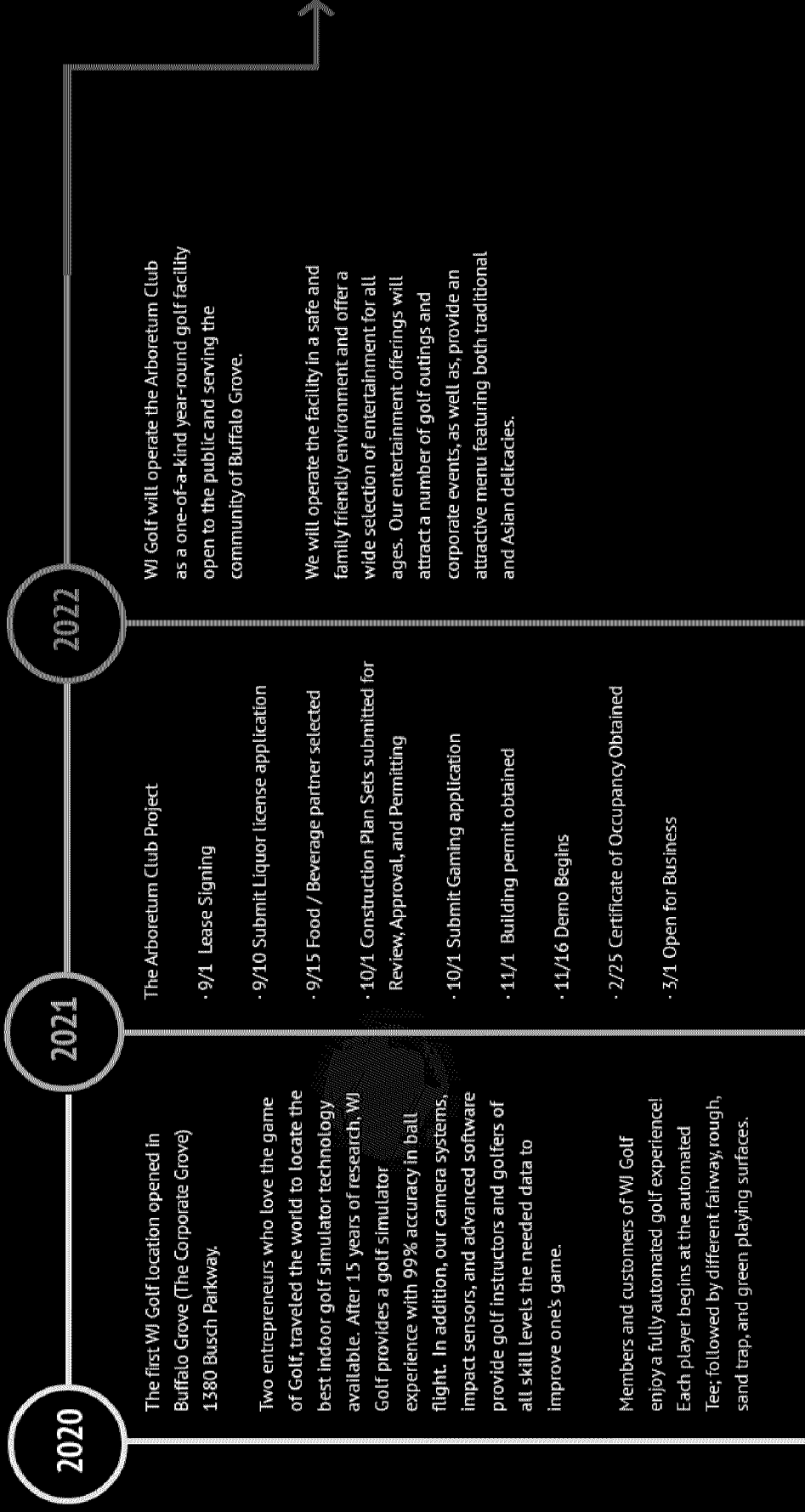
EXHIBIT "A"**COLLATERAL****TENANT'S FF&E**

1. All of the restaurant equipment, and dining room furniture of the Arboretum Club located at located at 401 Half Day Road, Buffalo Grove, Illinois 60089 as enumerated hereinbelow:

2. Any and all replacements and substitutions of the Tenant's FF&E as set forth in Section 1, hereinabove.



TIMELINE DASHBOARD



Product / Service Offering

8 Bay -Indoor Golf Facility(1 Private Instruction Room)

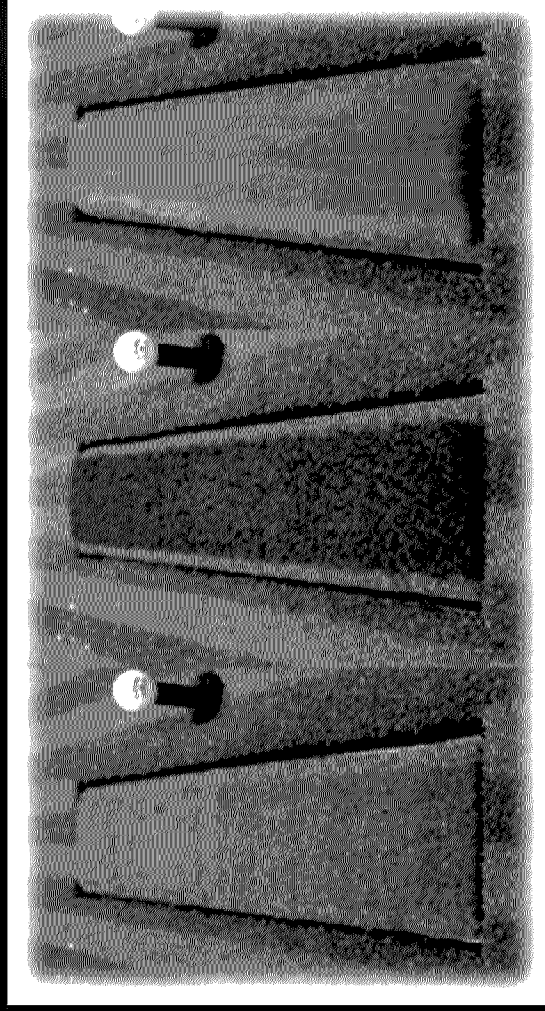
Driving Range

Over 160+ US/International Golf Courses

Food & Beverage - Indoor/Outdoor Banquet

Full-Service Bar & Restaurant(Traditional & Asian Menus)

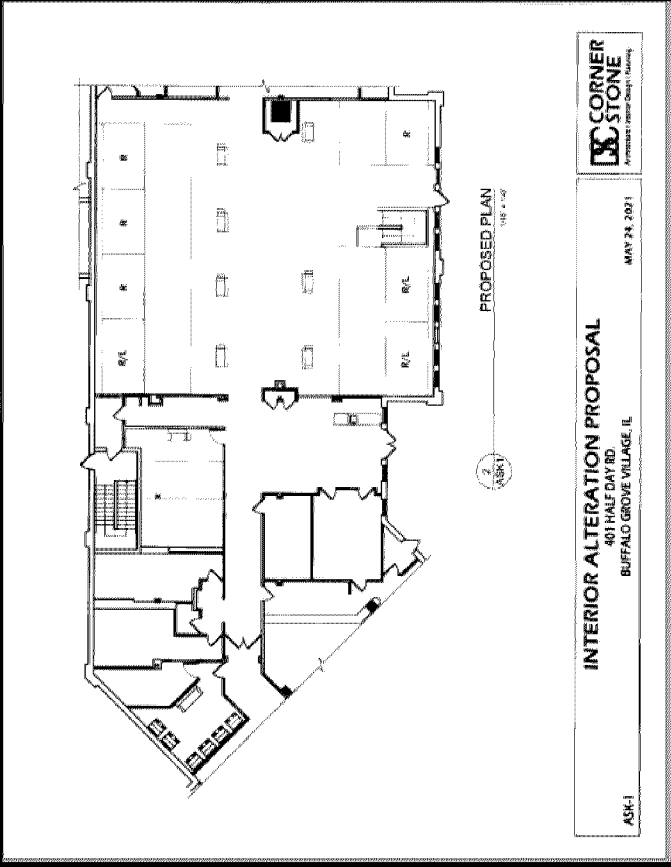
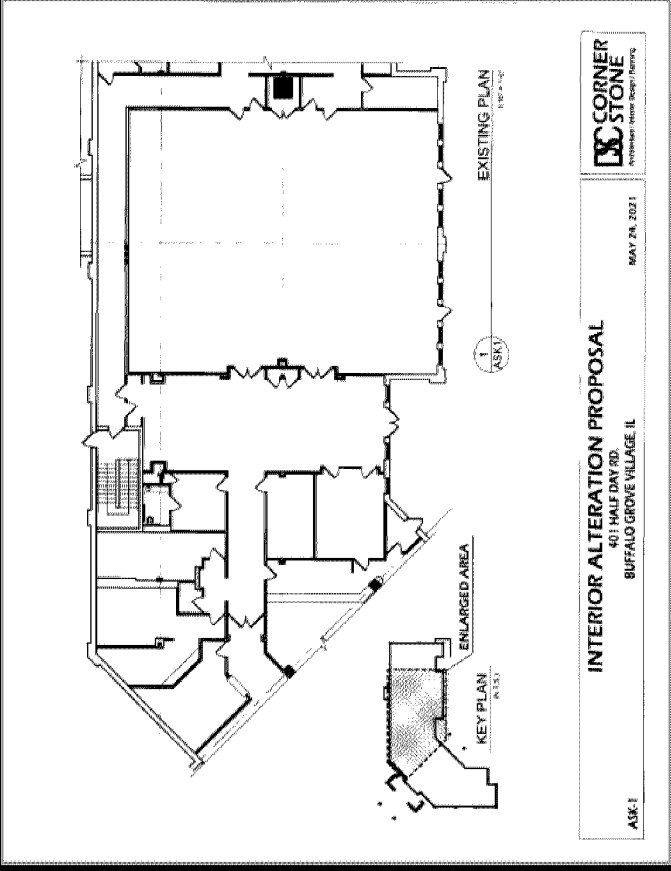
6 Gaming Machines



Current / New Concept

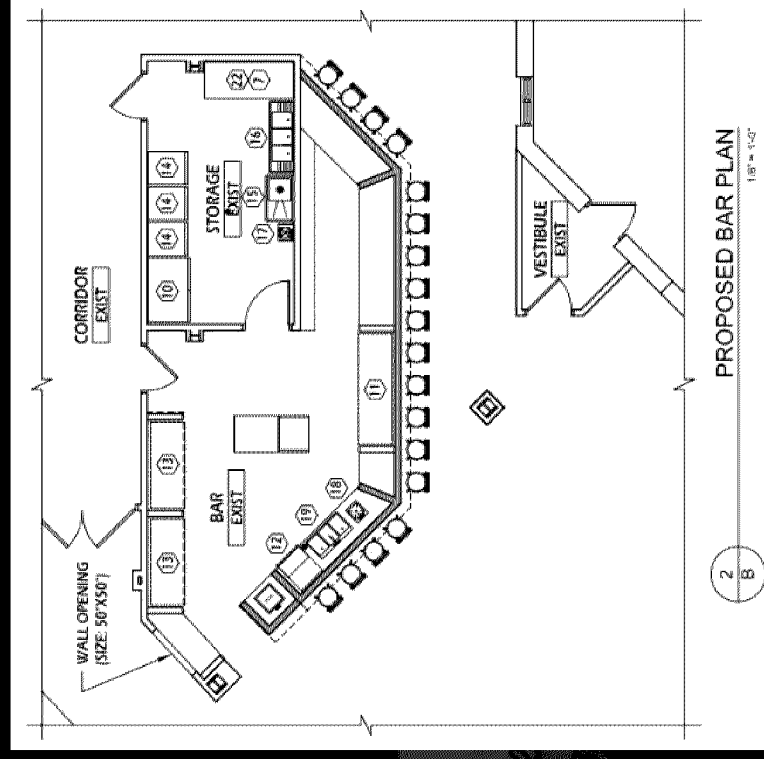
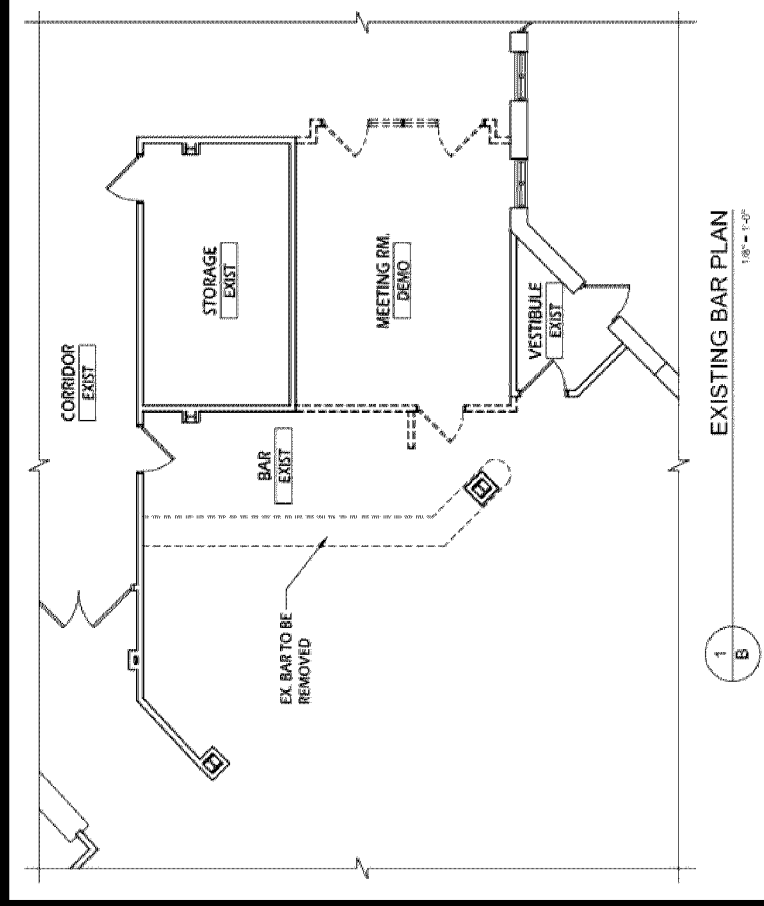
9.B.d

Attachment: Arboretum (1) (O-2021-62 : Ordinance to Execute a Lease Agreement with WJ



Packet Pg. 98

Current / New Concept



WIN GOLF LLC- Managers

Won Cho Experience - Executive Leadership, Company Training, Public Relations, Philanthropist, and Technology Leader

Jason Jung Experience - Execute Strategies Development, Contract Renewals, Leadership, Management, and Visionary

Dave Nall Experience - Accounting, Finance, Retail Operations, HR, Construction, Development, 400 Store Openings, 4,000 employees and \$200 Million in projects

WJ GOLF- Professional Team

Golf Simulator: OK Simulator

Architect & Design: DSC Corner Stone

General Contractor: Sangwon Kang

Legal Counsel: Su J. Moon

Accounting: Citi Accounting Inc