

## Lease Summary Chart Critical Deadlines

**Building Address:** [REDACTED]  
**Unit:** 1<sup>st</sup> Floor of Building  
**Documents Summarized:** Lease Agreement between [REDACTED].  
**Date:** TBD

Lease Provision	Description	Citations
Important Dates	<p><b>Date of Lease:</b> ___/___/20___ (date handwritten at top of lease). § 304.</p> <p><b>Date of Lease and triggering events:</b></p> <ul style="list-style-type: none"> <li>➤ <u>Security Deposit</u> of \$18,015 payable on execution (§ 201f)</li> <li>➤ <u>Rent Deposit</u> of \$18,015 payable on execution (§ 201g)</li> <li>➤ Within 45 days, submit to Landlord “a complete set of <u>plans and specifications</u> showing in reasonable detail any and all interior and/or exterior alterations and improvements that Tenant proposes to make to the Premises (§ 1401).</li> <li>➤ Within 30 days, submit to Landlord two (2) copies of Tenant’s <u>sign plans and specifications</u> (of 1 copy if in electronic form) showing in complete detail the proposed construction and installation of Tenant’s exterior sign and under-canopy sign (§ 1801).</li> </ul> <p><b>Lease commencement date:</b> ___/___/20___ (upon date of receipt of Notice of Possession; estimated for July, 2017. § 311; 201(l)).</p> <p><b>Commencement of Tenant’s Work:</b> ___/___/20___ (upon date of Notice of Possession. § 402).</p> <p><b>Must Open for Business:</b> ___/___/20___ (210 calendar days after Lease Commencement Date. <i>See</i> § 201(m) (Fixturing Period); § 403).</p> <p><b>Rent commencement date:</b> ___/___/20___ (next day after last day of Fixturing Period or date Tenant opens for business, whichever is earlier – § 321).</p> <p><b>Initial Build-out dates:</b> ___/___/20___ to ___/___/20___ (Notice of Possession to last day of Fixturing Period).</p>	<p>Penalties for failure to open on time are (a) \$175 (for each day failure continues); or (b) collecting 200% rent per day. <i>See</i> § 403; 2602; 2610.</p> <p>Fixturing Period is 210 calendar days after Lease Commencement Date. <i>See</i> § 201(m).</p> <p>Notice of Possession is Landlord’s notice to Tenant that Premises is ready for Tenant to take possession and that Landlord has substantially completed its work. <i>See</i> § 316.</p>
Parties	<p><b>Landlord:</b> [REDACTED] Residential, LLC (Delaware)</p> <p><b>Landlord’s Agent:</b> [REDACTED] Services, LLC</p> <p><b>Landlord’s property manager:</b> [REDACTED] Services, LLC</p> <p><b>Landlord Indemnitees:</b> Landlord and Landlord’s direct and indirect owners, Landlord’s partners and their respective officers, trustees, principals, agents, property managers, employees and contractors, the Development Authority and any Mortgagee(s).</p> <p><b>Development Authority:</b> Development Authority of [REDACTED]</p>	

	<b>Tenant:</b> [REDACTED], LLC																						
Premises	4,500 square feet of gross leasable area, located on the 1 <sup>st</sup> floor of the building.	§ 201(a).																					
Uses	<b>Permitted uses:</b> Solely for the operation of an “upscale” restaurant specializing in the sale of [REDACTED] <b>Restricted or prohibited uses:</b> No other use.	§ 201(c).																					
Term	<p><b>Term period:</b> ___/___/20___ (Rent Commencement to midnight on Expiration Date; § 601)</p> <p><b>Commencement date and triggering events:</b></p> <ul style="list-style-type: none"> <li>➤ Must pay Minimum Rent (§701), Monthly Tax Charge (§802), Monthly Common Area Maintenance Charge (based on Landlord’s estimate for the year) (§1002).</li> <li>➤ Must participate in Landlord’s promotional initiatives. § 1101.</li> <li>➤ Within 10 days of Rent Commencement, must provide copy of non-residential certificate of occupancy (CO) § 201(t); however, actual CO must be obtained prior to opening for business (See Ex. C, § II).</li> <li>➤ Within 90 days of Rent Commencement or issuance of CO, Tenant must submit to Landlord request for the remaining portion of the Allowance (Exhibit C).</li> </ul> <p><b>Expiration date:</b> At the end of the 10<sup>th</sup> Lease Year. § 201(b); 306; 313 (Lease Year)</p> <p><b>Extension options:</b> Tenant has two 5-year options to extend the term.</p> <p><b>Option 1:</b> ___/___/20___ (must be exercised by written notice to Landlord 180 days before expiration of term or ___/___/20___)</p> <p><b>Option 2:</b> ___/___/20___ (must be exercised by written notice to Landlord 180 days before expiration of term or ___/___/20___)</p>	<p>Term starts on Rent Commencement Date. See § 201(b); 311; 601.</p> <p>See Exhibit G (for options).</p>																					
Security Deposit	Landlord must return Security Deposit to Tenant within 90 days after Expiration Date. § 1201.																						
Base Rent	<p><b>Base rent escalation dates:</b></p> <table border="0"> <thead> <tr> <th><i>Minimum Rent</i></th> <th><i>Annually</i></th> <th><i>Monthly</i></th> </tr> </thead> <tbody> <tr> <td>Lease Year 1-5</td> <td>\$180,000</td> <td>\$15,000</td> </tr> <tr> <td>Lease year 6-10</td> <td>\$198,000</td> <td>\$16,500</td> </tr> <tr> <td colspan="3"><i>First Renewal</i></td> </tr> <tr> <td>Lease Year 11-16</td> <td>\$217,800</td> <td>\$18,150</td> </tr> <tr> <td colspan="3"><i>Second Renewal</i></td> </tr> <tr> <td>Lease Year 16-20</td> <td>\$239,580</td> <td>\$19,965</td> </tr> </tbody> </table>	<i>Minimum Rent</i>	<i>Annually</i>	<i>Monthly</i>	Lease Year 1-5	\$180,000	\$15,000	Lease year 6-10	\$198,000	\$16,500	<i>First Renewal</i>			Lease Year 11-16	\$217,800	\$18,150	<i>Second Renewal</i>			Lease Year 16-20	\$239,580	\$19,965	§ 201(d)
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Percentage Rent	<p><b>Percentage rent rate:</b> 5% of Gross Sales for each Lease Year in excess of Break-Point.</p> <p><b>Breakpoint:</b> Annual Minimum Rent divided by 5%.</p> <table border="0"> <thead> <tr> <th><i>Minimum Rent</i></th> <th><i>Annually</i></th> <th><i>Break-point</i></th> </tr> </thead> <tbody> <tr> <td>Lease Year 1-5</td> <td>\$180,000</td> <td>\$3,600,000</td> </tr> <tr> <td>Lease year 6-10</td> <td>\$198,000</td> <td>\$3,960,000</td> </tr> <tr> <td colspan="3"><i>First Renewal</i></td> </tr> </tbody> </table>	<i>Minimum Rent</i>	<i>Annually</i>	<i>Break-point</i>	Lease Year 1-5	\$180,000	\$3,600,000	Lease year 6-10	\$198,000	\$3,960,000	<i>First Renewal</i>			§ 201(e) (percentage rent definition); § 703 (Gross Sales definition); § 702 (payment date)									
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	<p>Lease Year 11-16    \$217,800                      \$4,365,000</p> <p><i>Second Renewal</i></p> <p>Lease Year 16-20    \$239,580                      \$4,791,600</p> <p><b>Payment Date:</b> Calculated and payable on or before the 60<sup>th</sup> day after the end of each Lease Year (or portion thereof) or if requested by Landlord, monthly on the 15<sup>th</sup> day of each month following the month Tenant’s Gross Sales reached the Break-Point (§ 702).</p> <p><b>Audit rights:</b> Landlord, at its request, audit Tenant’s books and records pertaining to all receipts and Gross Sales from any business conducted on the Premises (§ 708).</p>	
Additional Rent	<p><b>Total Estimate Monthly Cost:</b> \$ 3,015 (reduced to \$3,000)</p> <p><b>Tenant’s proportionate share:</b> Gross leasable space of Premises divided by the gross leasable area of the Retail Shop Space (= 4500 / 25,000 = 18 %) (§ 318)</p> <p><b>Common Area Maintenance (“CAM”) Costs:</b> \$1,935/mo (estimated) (§ 1002); subject to CAP for first year.</p> <p><b>Taxes:</b> \$945/mo (estimated) (§ 802), subject to CAP for first year.</p> <p><b>Insurance:</b> \$135/mo (estimated) (§ 901), subject to CAP for first year.</p> <p><b>CAP of CAM, Insurance and Taxes:</b> Tenant’s Pro Rata Share of Taxes, Insurance and Common Area Maintenance Costs shall not exceed \$8.00/sq. ft for the first Lease Year. § 301.</p> <p><b>Controllable CAM:</b> CAM less Uncontrollable CAM, subject to cap – will not exceed 103% of Tenant’s Pro Rata Share of Controllable CAM for immediately preceding Lease Year.</p> <p><b>Uncontrollable CAM:</b> “costs of utilities, insurance premiums, snow and ice removal, security and any cost increase based on increases in prevailing market wage”, subject to cap – will not exceed 106% of Tenant’s Pro Rata Share of CAM (other than Controllable CAM) for immediately preceding Lease Year.</p> <p><b>Utilities (excluding electricity):</b> Tenant pays for water, gas, electricity, heat, sewer rentals or service charges § 1701</p> <p><b>Trash Charges:</b> Included as CAM (§ 1704)</p> <p><b>Audit rights:</b> None.</p>	
Assignment and subleasing rights:	<p><b>Landlord consent required:</b> Yes.</p> <p><b>Standard for landlord’s consent:</b> “Consent shall not be unreasonable withheld, conditioned or delayed.”</p> <p><b>Approval procedure:</b> Written consent required.</p> <p><b>Permitted assignments:</b> Transfer of equity among existing interest holders of Tenant or transfer that results from the death of interest holder.</p> <p><b>Recapture:</b> Landlord will have the option to terminate the Lease if Tenant requests Landlord’s consent for subletting or assignment; Landlord must exercise option within 60 days of receiving Tenant’s request. § 2304.</p>	§ 2301.
Alterations	<p><b>Landlord consent required:</b> Yes.</p> <p><b>Standard for landlord’s consent:</b> Consent required.</p>	§ 1402

	<p><b>Approval procedure:</b> Written consent required.</p> <p><b>Alternations that do not require landlord’s consent:</b> Those alternations approved in Tenant’s Plans.</p> <p><b>Tenant’s duty to restore at the end of the lease term:</b> All improvements and fixtures (other than trade fixtures) shall remain on the Premises unless Landlord requires that Tenant remove the same.</p>	
Repairs and maintenance:	<p><b>Scope of landlord’s repair and maintenance obligations:</b> Landlord must repair the roof and other exterior portions of the Premises and make any necessary structural repairs. § 1502(c).</p> <p><b>Scope of tenant’s repair and maintenance obligations:</b></p> <ul style="list-style-type: none"> <li>➤ Tenant is responsible for all other repairs not required by Landlord, including repairs to sprinkler system and HVAC serving Premises, mechanical, plumbing, electrical and exhaust systems and sewer lines serving Premises and Grease Trap. § 1502(a); 1505; 1506.</li> <li>➤ All Tenant contractors performing repairs in excess of \$1,000 must be approved in writing by Landlord. § 1404.</li> <li>➤ Contractors used for fire protection systems or HVAC or any work performed outside premises must be approved in writing by Landlord. § 1404.</li> </ul> <p><b>Tenant or Landlord self-help:</b> Landlord can exercise self-help if Tenant defaults in making any payment. § 2604.</p>	
Insurance	<p><b>Tenant’s insurance requirements:</b> Evidence of insurance for the following must be provided to Landlord on or before date of Notice of Possession (§ 902(m)):</p> <ul style="list-style-type: none"> <li>➤ <u>CGL</u> on an occurrence basis with a per occurrence limit of no less than \$2 Million for each policy year, including Completed Operation, Fire Legal Liability and Contractual Liability Insurance. Must name Landlord, Landlord’s Agent, Development Authority and Mortgagees as additional insureds. § 902(a).</li> <li>➤ <u>Excess or Umbrella Liability Insurance</u> with limits not less than \$3 Million per occurrence. § 902(b).</li> <li>➤ Insurance covering <u>Tenant Improvements</u>. § 902(c).</li> <li>➤ <u>Business Automobile Liability Insurance</u> subject to a minimum limit of \$1 Million, but only if Tenant owns or leases vehicles used for the Premises. § 902(d).</li> <li>➤ Business income (or “<u>business interruption insurance</u>”) to cover losses for twelve (12) months. § 902(e).</li> <li>➤ <u>Worker’s Compensation</u> in an amount not less than \$1 Million. § 902(f).</li> <li>➤ <u>Contractor’s Insurance</u>. Any contractor performing work must carry and maintain CGL insurance of not less than \$2 Million and worker’s compensation and name Landlord, Landlord Indemnities, Development Authority, Landlord’s Agent and Landlord’s property manager as additional insureds. § 902(g).</li> <li>➤ <u>Dram Shop</u>: liquor liability insurance as endorsement to general liability policy or as separate policy. §902(h).</li> <li>➤ <u>Environmental Insurance</u> with a limit not less than \$3 Million, but only if Tenant uses or stores any flammable or toxic chemicals or bio hazards. § 902(i).</li> </ul>	Penalties for failure to provide insurance are (a) can’t perform work or occupy space; and (b) must pay \$175 (for each day failure continues) late charge. § 902(m); 2610.
Events of Default	<b>A Tenant event of default includes:</b>	§ 2601 and 2602.

	<ul style="list-style-type: none"> <li>➤ Failure to pay rent</li> <li>➤ Failure to commence business by end of Fixturing Period</li> <li>➤ Discontinuance of operation of Tenant’s business</li> <li>➤ Vacating or abandoning Premises</li> <li>➤ Bankruptcy</li> <li>➤ See all others at § 2601</li> </ul>	
Other Important Dates	<ul style="list-style-type: none"> <li>➤ <u>Yearly</u>. Within 90 days, Tenant must “deliver to Landlord a written statement, certified by Tenant’s principal or manager to be true, correct and complete, setting forth the Gross Sales for such Lease Year.” § 706.</li> <li>➤ <u>Monthly</u>. Within 30 days after the end of each calendar month during the Term, “Tenant shall submit to Landlord a statement certified by Tenant to be true, correct, and complete, showing the amount of Gross Sales from the Premises (and from such other business as may be required pursuant to Section 704 above) during said calendar month.” (§ 705)</li> <li>➤ <u>Upon Request</u>. Within 15 days of Landlord’s request, Tenant shall forward to Landlord a financial statement for its most recently completed fiscal year of Tenant certified by an independent CPA acceptable to Landlord (§ 2407).</li> <li>➤ <u>Record Retention</u>. Tenant shall keep on the Premises for 3 years following the end of each Lease Year adequate records in keeping with GAAP evidencing inventories and receipts of merchandise at the Premises, the gross income, sales and tax returns with respect to such Lease Years at or from the Premises and all pertinent original sales records in a manner consistent with generally accepted industry standards (§ 707)</li> <li>➤ <u>Every 5 years</u>. Upon the expiration of each five (5) Lease Year period of the Term, Tenant shall refurbish the Premises to update the interior portion of the Premises and the storefront and storefront signage to the extent necessary to maintain a fresh appearance.</li> </ul>	Failure to provide statements are subject to late charges of \$175 per day for each day the failure continues. § 2610.
Guaranty	<p><b>Guarantor:</b> [REDACTED], LLC</p> <p><b>Guaranteed obligations:</b> Broad form</p> <p><b>Release of guaranty:</b> After expiration of 5 years from Rent Commencement Date, liability capped at 12 months of base rent plus then remaining unamortized balance of any brokerage commission and Allowance previously paid by Landlord, on a rolling basis for remainder of the term. Guaranty void and no longer enforceable after 10 years.</p>	See Exhibit F.
Before Expiration of Lease Term	<p>Tenant must remove all signs from the Premises. § 1804.</p> <p>All improvements and fixtures (other than trade fixtures) shall remain on the Premises unless Landlord requires that Tenant remove the same. § 1402</p> <p>All Personal Property of Tenant and installed in Premises must be removed by Tenant at expiration of Term. § 1602. If not removed by Expiration Date, then property deemed property of Landlord. § 1603.</p>	
TI Allowance	<p><b>Allowance:</b> Landlord will provide Tenant a tenant improvement construction allowance of \$450,000, based on a</p>	See Exhibit C.

	<p>\$100/sq. ft.</p> <p><b>Payment Date:</b> Within 30 days (i) after Tenant opens for business; (ii) Tenant requests Allowance in writing; (iii) Tenant has submitted to Landlord a copy of all paid receipts that evidence payment to contractors, subcontractors and supplier for materials; (iv) Tenant has provide unconditional lien waivers, among other requirements.</p>	
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