

**AGENDA**  
**CITY OF ST. CHARLES**  
**LIQUOR CONTROL COMMISSION MEETING**  
**MONDAY, JUNE 18, 2018**  
**CITY COUNCIL CHAMBERS @ 4:30 PM**  
**2 E MAIN STREET**

1. Call to Order.
2. Roll Call.
3. Motion to accept and place on file minutes of the Liquor Control Commission meeting held on May 21, 2018.
4. Recommendation to approve a Proposal for a New Class A6 Liquor License for Gordy's Quick Mart located at 101 E Main Street, St. Charles, IL 60174.
5. Discussion to Consider Plans for the Addition of a Patio for the Alibi Bar & Grill located at 12 N 3<sup>rd</sup> Street, St. Charles, IL 60174. (Information only)
9. Public Comment.
10. Executive Session (5 ILCS 120/2 (c)(4)).
11. Adjournment.

***ADA Compliance***

Any individual with a disability requesting a reasonable accommodation in order to participate in a public meeting should contact the ADA Coordinator, Jennifer McMahon, at least 48 hours in advance of the scheduled meeting. The ADA Coordinator can be reached in person at 2 East Main Street, St. Charles, IL, via telephone at (630) 377 4446 or 800 526 0844 (TDD), or via e-mail at [jmcmahon@stcharlesil.gov](mailto:jmcmahon@stcharlesil.gov). Every effort will be made to allow for meeting participation. Notices of this meeting were posted consistent with the requirements of 5 ILCS 120/1 et seq. (Open Meetings Act).

**MINUTES**  
**LIQUOR CONTROL COMMISSION MEETING**  
**MONDAY, MAY 21, 2018**

1. Call to Order

The meeting was convened by Liquor Commissioner Rogina at 4:30 p.m.

2. Roll Call.

**Members Present:** Liquor Commissioner Rogina, Ald. Vitek, Ald. Silkaitis and Cliff Carrigan

**Members Absent:** Robert Gehm

**Others Present:** Police Chief Keegan, Atty. John McGuirk, Mark Koenen, and Tracey Conti

3. **Motion to accept and place on file minutes of the Liquor Control Commission meeting held on April 16, 2018.**

**Voice Vote:** Ayes: unanimous, Nays: none. Chrm. Rogina did not vote as Chair. **Motion carried.**

4. Recommendation to Approve a Proposal for a New Class E-1 Temporary Liquor License for a Special Event, a Random Acts Matter Fundraiser, to be held in Mt. St. Mary's Park.

**Chief Keegan:** This is the 2<sup>nd</sup> annual event for Random Acts Matter. It's scheduled for September 9<sup>th</sup>. Lori Georgeson and Rob Mondy are here to answer questions.

**Lori Georgeson:** This is a community event and we're expecting nearly 450 people participants.

**Ald. Silkaitis:** Regarding the City Services. What does it mean, refer to command?

**Chief Keegan:** This is from our Traffic Safety Officer. We try to keep the cost down. There will be a meeting scheduled with the event organizers to go over the hours and ensure that we're on the same page.

**Lori Georgeson:** We had 2 officers last year. Everyone over 21 was given a band, the area is fenced and we had people at the gate watching. It went very smoothly.

Motion by Mr. Carrigan, second by Vitek to recommend approval of a New Class E-1 Temporary Liquor License for a Special Event, a Random Acts Matter Fundraiser, to be held in St. Mary's Park.

**Roll Call:** Ayes: Carrigan, Vitek, Silkaitis; Nays: None. Chrmn. Rogina did not vote as Chair. **Motion Carried.**

**5. Recommendation to approve a Proposal for a New Class E-1 Temporary Liquor License for a Special Event, “Sunset Cider Stroll” to be held Downtown St. Charles and Mt. St. Mary’s Park.**

**Chief Keegan:** This is the first year of the Cider Stroll. It will take place from 5:00 pm 7:30pm, in Mt. St. Mary’s Park. They are expecting approximately 100 participants. If you aren’t familiar with hard cider, it’s a fall cocktail, apple cider with alcohol.

**Jennifer:** This will be an adult only event on the bike path targeted towards date night, or girls night out. Participants will walk the bike path into Mt. St. Mary’s Park where they will sample some hard cider and have some snacks.

**Chrmn. Rogina:** How did you come up with the idea?

**Jennifer:** So many groups are doing a 5k. We wanted to do something, and came up with this concept. It’s more of a date night. We’d like to keep the event on the trails and bike path and support the local businesses.

Motion by Mr. Carrigan, second by Vitek to recommend approval of an E-1 Temporary Liquor License for a Special Event, “Sunset Cider Stroll” to be held Downtown St. Charles and Mt. St. Mary’s Park.

**Roll Call:** Ayes: Carrigan, Vitek, Silkaitis; Nays: None. Chrmn. Rogina did not vote as Chair.  
**Motion Carried.**

**6. Recommendation to approve an Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090 of the St. Charles Municipal Code.**

**Chief Keegan:** This is a housekeeping item. I was approached by the wine exchange that currently has an A5 license, consumption of wine and sale of wine on site. No more than 25% of their sales can be onsite consumption. They would like to offer a small amount a craft beer and spirits.

**Ald. Silkaitis:** What kind of spirits?

**Bob Sommer:** Bottles and or craft beer. Not a lot, we’re trying to work with our customers. Some don’t drink wine and we’ve been asked to offer craft beer. Spirits would be an oddity. We won’t be mixing drinks, don’t want to be a bar; possibly we’ll offer whisky or bourbon.

**Mr. Carrigan:** How will this be monitored to keep within 25% of your sales.

**Keri Foster:** It’s all monitored, it’s very limited. We’re trying to establish a customer base.

**Mr. Carrigan:** It will need to be monitored. How will you monitor this?

**Chrmn. Rogina:** This question will most likely be brought up at council committee this evening. Will you monitor this, and if we request, show the books?

**Chief Keegan:** How do we safeguard ourselves regarding sections of our ordinances referring to a percentage?

**Bob Sommer:** We will only have a handful of beers, certain craft beers, very limited.

Motion by Mr. Carrigan, second by Vitek to recommend approval an Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090 of the St. Charles Municipal Code.

**Roll Call:** Ayes: Carrigan, Vitek, Silkaitis; Nays: None Chrmn. Rogina did not vote as Chair.  
**Motion Carried.**

**6b. Recommendation to approve an Ordinance Amending Title 5, Entitled “License - Classifications”, 5.08.150, “License – Cessation of Business – Revocation of Licenses – Reduction in Licenses” of the St. Charles Municipal Code.**

**Chief Keegan:** This was recently a point of discussion. The more it was debated the more confusing it became. I did some research and spoke with Atty. McGuirk. It’s similar to your driver’s license, if you don’t use it for 6 months it doesn’t become invalid, unless it’s revoked you still have a license. I believe there are appropriate remedy’s in place in our city code; and would like to have this removed.

**Ald. Silkaitis:** I respectfully disagree with you. If you close your business and you still have a liquor License, you lose your license. If your address changes would you still have the liquor license? I think we need something that states if a business is closed you don’t have your liquor license.

**Chrmn. Rogina:** What we’re taking away is the idea of after the cessation of business we’re not taking away your liquor license.

**Ald. Silkaitis:** Do we have a business license here in St. Charles?

**Chrmn. Rogina** No.

**Ald. Vitek:** I agree with this. This did add confusion. It focuses on closed business. Why make another unnecessary hoop for people to jump through when they are already providing the proper information. I think sometimes a liquor license is looked upon as negative, that’s not necessarily true, it’s a tool for a business.

**Mr. Carrigan:** Who holds a license?

**Chief Keegan:** You have to be a resident of St. Charles or hold the liquor liability; 99% of our licensees are an LLC.

**Atty. McGuirk:** It may be 100%.

**Chief Keegan:** There are triggers in our code that require floor plans, business plans, etc., be provided. It can’t be changed on a whim.

**Ald. Silkaitis:** What's to say 6 months later they won't change.

**Chrmn. Rogina:** You sustain that his license was expired.

**Ald. Silkaitis:** Yes

**Mayor Rogina:** You have a driver's license and you can't drive for 6 months, would it be your position that your license is invalid.

**Ald. Silkaitis:** I think if you close a business you shouldn't come back 6 months later with the same license.

**Mr. Carrignon:** Do we capture this in other ordinances?

**Chief Keegan:** Based on the letter of the law when Abby's expanded they were closed for more than 30 days, they maintained their license.

**Mark:** I believe that the reason it wasn't in the code is because a number of years ago we had a limit to the amount of liquor licenses that could be issued. I asked the chief what would be the best way to monitor this. His answer was; I don't think there is one.

Motion by Mr. Carrignan, second by Vitek to recommend approval an Ordinance Amending Title 5, Entitled "License - Classifications", 5.08.150, "License – Cessation of Business – Revocation of Licenses – Reduction in Licenses" of the St. Charles Municipal Code.

**Roll Call:** Ayes: Carrignan, Vitek; Nays: Silkaitis. Chrmn. Rogina did not vote as Chair.  
**Motion Carried.**

**7. Recommendation to approve a Proposal for a New Class E-8 Liquor License for the St. Charles History Museum, located at 215 E Main Street, St. Charles.**

**Chief Keegan:** This is a newly created license classification for the St. Charles History Museum. It's similar to what's been done with the fairgrounds and the Harley Dealership; there are certain number of licenses allowed per year.

**Ald. Silkaitis:** Was there a problem getting insurance?

**Nancy:** No, just some confusion with Foodie Fest, another special license, it didn't proceed. We worked with the police that would cover those special events and our insurance will cover.

Motion by Mr. Carrignan, second by Vitek to approve a Proposal for a New Class E-8 Liquor License for the St. Charles History Museum, located at 215 E Main Street, St. Charles.

**Roll Call:** Ayes: Carrignan, Vitek, Silkaitis; Nays: None. Chrmn. Rogina did not vote as Chair.  
**Motion Carried.**

**8. Discussion regarding Citation and Hearing Notice for the Tobacco and Giftshop, located at 1556 E Main Street, St. Charles, Illinois 60174.**

*Chrmn. Rogina read the complaint/violation regarding the event that took place at the Tobacco and Gift Shop, located at 1556 E Main Street, St. Charles.*

**Chrmn. Rogina:** I'll turn the floor over to you counsel with the caveat that prior to this hearing today; on the arraignment form submitted by the licensee that liability was admitted of the allegations set forth in the complaint and requested this hearing in mitigation. We'll give him the opportunity to provide any evidence in support of his position and minimize any penalty.

**Atty. Earl:** My name is Greg Earl I'm an attorney from Geneva, Illinois, 17 N 6<sup>th</sup> Street. I represent Tobacco and Gifts. With me is the principal owner Anup Singh. He has admitted liability. We have requested this hearing for mitigation circumstances. I can provide this or if you'd rather hear directly from Mr. Singh he'll be happy to answer.

**Chrmn. Rogina:** Either is fine. You have the right to do this today or you can take some time for the process.

**Atty. Earl:** We spoke to Atty. McGuirk prior to today's hearing. I don't think we need any time to come back.

**Chrmn. Rogina:** That's fair.

**Atty. Earl:** Tobacco and Gifts has been a member of the St. Charles community for over 11 years. This is the first violation. I believe he has taken the appropriate step by admitting the liability. He takes this very seriously and hopes this never happens again. I think there was some confusion during the transaction. Mr. Singh can explain better what happened during the transaction.

**Mr. Singh:** He asked me do you have this nicotine/electronic cigarette. I take it from the showcase and put it on the counter, and asked him for ID. He just put \$20.00 down and walked out. It's my fault.

**Chrmn. Rogina:** Would I be correct in assuming that when the transaction took place, would you concede that the property sold to the minor was something in violation of the City of St. Charles ordinance?

**Anup Singh:** Yes, it was my fault.

**Chrmn. Rogina:** You received money for the transaction.

**Anup Singh:** I put the product here; and he put the \$20.00 down. I asked him for ID, he dropped the \$20.00, picked up the product and walked.

**Chrmn. Rogina:** You never viewed his ID?

**Anup Singh:** I asked if he had ID, he just put down \$20.00, took it and walked.

**Atty. Earl:** He never saw his ID, nor did he have a chance to even give the gentleman change.

**Chrmn. Rogina:** We have been pretty consistent here with respect to first offences as far as penalties. We'll try to do our best to follow president. I want to emphasize the following. We had a conversation here not too long ago, and we were split regarding the following issue. Sale of tobacco to 18, 19 and 20 year olds. There is a big push in this state to change it to 21. I am proponent of leaving it at 18 under a theory that 18 year olds have a right to vote, fight for their country. The problem is if we sell to minors we're defeating that whole argument. We have to be vigilant and make sure that it's not happening here. Secondly, there is also president in this town through this Liquor Commission that when the situation has happened on several occasions we've closed the establishment. I respect the fact that for 11 years you've had no problems. I want to make sure everybody hears my cautionary remarks with respect to second and third situations. Particularly as it relates to minors in our community. Again there is this push, and I'm not happy to see minors getting involved in this. When they are old enough they can make their own decisions, until then we have to protect them.

**Ald. Silkaitis:** This is the first offence. I agree with what you're saying.

**Chrmn. Rogina:** There is no need for you to stay because we will go into executive session to render a decision. I have 10 – 14 days to get back to the licensee with our decision. I think I can safely say there is going to be no suspension.

**Atty. Earl:** Mr. Singh and his wife are the only two employees and they are taking measures to make sure this doesn't happen again. If you are going to be sending out a notice, how will that notice be sent?

**Atty. McGuirk:** Typically I send the order in an email and I think we serve them as well, correct?

**Chief Keegan:** Personal service.

**Atty. Earl:** Very good.

**Roll Call:** Ayes: Carrignan, Vitek, Silkaitis; Nays: None. Chrmn. Rogina did not vote as Chair.  
**Motion Carried.**

9. Public Comment.

Motion by Mr. Carrignon, second by Ald. Silkaitis to enter executive session at 5:07 pm

10. Executive Session (5 ILCS 120/2 (c)(4)).

Motion by Mr. Carrignon, second by Ald. Silkaitis to exit executive session at 5:12 pm

**Ald. Silkaitis:** I will not be here for the meeting on June 18.

Liquor Control Commission

May 21, 2018

Page 7

11. Adjournment.

Motion by Ald. Silkaitis second by Mr. Carrigan to adjourn the meeting at 5:15 pm

:tc





**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 4

Title:	Recommendation to approve a Proposal for a Class A6 Liquor License for Gordy's Quick Mart, located at 101 E. Main St., St. Charles.
Presenter:	Jim Keegan, Police Chief

Meeting: Liquor Control Commission                      Date: June 18, 2018

Proposed Cost:                      Budgeted Amount:                      Not Budgeted:

**Executive Summary** *(if not budgeted please explain):*

Mother and son Terri and Nicholas Simic have applied for an A-6 Liquor License in order to sell alcohol at their soon to be open business, Gordy's Quick Mart, 101 E. Main Street. This location was formerly occupied by Starbucks. Terri advised the store would be a convenient store and deli. The business plan calls for the sale of packaged liquor with no consumption on site. The main focus of the location would be convenient items and a deli. The deli would serve cold sandwiches along with hot items such as hot dogs and Italian beef sandwiches. They would like to provide delivery of their deli sandwiches to the St. Charles area.

Terri advised they would like to have outdoor seating like Starbucks had when they occupied the location.

**Attachments** *(please list):*

Memo, Application, BASSET Information, Site Plan, Lease, Business Plan, COI

**Recommendation/Suggested Action** *(briefly explain):*

Recommendation to approve a Proposal for a Class A6 Liquor License for Gordy's Quick Mart, located at 101 E. Main St., St. Charles.



# Memo

Date: 6/11/2018  
To: The Honorable Ray Rogina, Mayor-Liquor Commissioner  
From: James Keegan, Chief of Police  
Re: Background Investigation-Gordy's Food Mart/101 E. Main Street (Class A-6)

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The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above mentioned establishment.

As you are aware, City Council recently modified our city code allowing alcohol sales inside gas station and mini-marts as follows:

*Class A-6 licenses shall authorize the retail sale of alcoholic liquors in original packages only, and not for consumption on the premises, in convenience stores or gas stations containing convenience stores where the retail sale of packaged alcoholic liquor is secondary to the sale of gasoline products and/or miscellaneous convenience store items and the square footage devoted to the retail sale of alcoholic liquor is ten percent (10%) or less of the gross square footage.*

Sales can only occur between 7:00am and 10:00pm daily.


The site location/floor plans and the corresponding application materials were reviewed by my staff. We also reviewed their business plan, Dram Shop insurance and application materials. We found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with alcohol sales, subject to City Council approval.

Please note, a site inspection was NOT conducted due to on-going construction. Approval of a liquor license will be contingent on a final inspection and occupancy permit being issued by the City.

Thank you in advance for your consideration in this matter.



# Memo

Date: 05/21/18  
To: Chief Keegan  
From: Commander Pierce   
Re: Liquor License Background, Gordy's Food Mart 101 E. Main St.

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The purpose of this memo is to outline steps taken during the background investigation for a liquor license application. This investigation was done based on the application submitted for a Class A-6 license for Gordy's Food Mart 101 E. Main Street.

## Applicants:

Simic, Terri A.



Simic, Nicholas G.



## Application:

The application lists two managers, Terri and Nicholas Simic. At the time of the application Terri and Nicholas submitted valid BASSET certification. Terri's expires on 10/04/2020 and Nicholas's on 12/18/20. There is a signed lease attached. A certificate of insurance from Afina Insurance Advisors in Oak Brook Terrace is attached with an effective date of 02/05/18. A floor plan is also attached.

## Records Checks:

Terri and Nicholas were fingerprinted.

**Terri's response:** The response from the FBI and Illinois Bureau of Identification shows no arrests.

**Nicholas's response:** The response from the FBI and Illinois Bureau of Identification shows no arrests.

A check of St. Charles records showed police contact for Terri and Nicolas however the contacts would not have a negative effect on this process.



During the interview Terri advised the family currently lives in Wood Dale, Illinois. Prior to this the family has lived in S. Elgin, Bartlett, Glendale Heights, and Niles.

A check of the Illinois Liquor Control Commission showed no current license and no record of license revocation for Gordy's or the Simic name.

A check of TLO and I-Clear (law enforcement databases) showed the information concerning Terri and Nicholas's identity to be accurate and no areas of concern were noted.

Checking with Wood Dale PD they had no contacts of concern with any of the two.

A check with Bartlett PD showed no contacts of concern.

A check with Glendale Heights showed no contacts of concern.

A check with Niles showed no contacts of concern.

Both stated they are U.S. citizens.

#### **SITE VISIT:**

A site visit has yet to be completed. I have an appointment to meet with Nicholas on 06/12/18 to complete this.

#### **INTERVIEW WITH APPLICANT:**

I met with Terri and Nicholas at the police department. Terri and Nicholas are related and are mother and son. The two advised they will be running the store together under the name; Gordy's Quick Mart of St. Charles, LLC. The liquor application indicates the liquor inventory will be approximately \$70,000.00 Terri advised the store would be a convenient store and deli. Terri said they would like to sell packaged liquor with no consumption on site. The main focus of the location would be the convenient items and deli. The deli would serve cold sandwiches along with hot items such as hot dogs and Italian beef sandwiches. I was advised they would not be cooking anything that would require a stove hood. They would like to provide delivery of their deli sandwiches to the St. Charles area.

Terri advised they would like to have outdoor seating like Starbucks had when they occupied the location. They were advised to obtain a permit for this seating. They were also advised they could not sell alcohol after 10:00pm or before 7:00am. They were also advised the sale of single serving of beer had to be greater than a 16 ounce can or bottle. The Simic's were given a full copy of the liquor ordinance. The business is currently being renovated for this new business. Terri advised the renovation should be completed by mid-July, 2018 with the opening shortly thereafter.

This concludes this background investigation. Recommend approval.

City of St. Charles, Illinois Liquor Control Commissioner  
 CITY RETAIL LIQUOR DEALER LICENSE APPLICATION  
 APPLICATION FEE IS NON-REFUNDABLE



Incomplete applications will not be accepted.  
**Completed applications may be submitted to:**  
 Two East Main Street, St. Charles, IL 60174-1984

Date Application Received: 6/6/18  New Application  Renewal Application

**APPLICATION CHECKLIST**

Check items to confirm all are attached to this application	Applicant	Office Use Only
Application Fee	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Completed Application for all questions applicable to your business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Lease/Proof of Ownership	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Dram Shop Insurance or a letter from insurance agent with a proposed quote.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Articles of Corporation, if applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Completed B.A.S.S.E.T. (Beverage Alcohol Sellers & Servers Training) form – filled out for all employees. A copy of the B.A.S.S.E.T. certificate is <b>only</b> needed for <b>each manager</b> . It is the business establishment's responsibility to keep copies of all B.A.S.S.E.T. certificates on file for all of their employees.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Site Plan for Establishment (Drawn to scale including the parking lot, patio and/or deck, outdoor seating).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Floor Plan for Establishment (Drawn to scale and must include the layout of the establishment with tables, chairs, aisles, displays, cash register, bar, and lounge area with dimensions, percentage, and square footage noted for each space). Be sure to also include all <b>fixed objects</b> , such as pool tables, bar stools, vending/amusement machines; as well as all exits.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Business Plan, to include: <input type="checkbox"/> Hours of Operation <input type="checkbox"/> Copy of Menu <input type="checkbox"/> Whether or not live music will be played at this establishment <input type="checkbox"/> Will there be outdoor seating and/or outdoor designated smoking area <input type="checkbox"/> <b>Do not include a marketing or financial plan with this business plan</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are any building alterations planned for this site? If not sure, please contact Building & Code Enforcement at 630.377.4406 and/or Fire Prevention Bureau at 630.377.4458 to discuss whether or not a walk-thru and/or permit are necessary for this business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
All managers have been fingerprinted who are employed by your establishment. When new management is hired, it is imperative you contact the Mayor's office to be fingerprinted so the City's business files are appropriately updated.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**OFFICIAL USE ONLY**

Approved\*  Denied Date Approved/Denied: \_\_\_\_\_ Customer Number: \_\_\_\_\_

\_\_\_\_\_  
 Signature of Mayor, Liquor Control Commissioner

\_\_\_\_\_  
 Date Issued

**\*ISSUANCE OF THIS LICENSE IS CONTINGENT ON MEETING ALL REQUIRED BUILDING AND FIRE DEPARTMENT REQUIREMENTS.**

**APPLICANT INFORMATION**

A. Type of Business:  Individual  Partnership  Corporation  Other (explain): LLC

B. Business Name:  
Gordy's Quick Mart

C. Business Address:  
101 E Main St., St. Charles, IL 60174

D. IL Tax ID Number: 4278-9257	E. Business Phone: Pending	F. Business E-mail: terrismic@yahoo.com	G. Business Website: www.gordysquickmart.com
H. Contact Person: Terri Simic		I. Title: Manager	J. Phone No.: 630-538-6741

K. If Corporation, Corporation Name:  
Gordy's Quick Mart of St. Charles, LLC

L. Corporation Address (city, state, zip code):  
902 S. Randall Rd., Unit 306, St. Charles, IL 60174

**BUSINESS ESTABLISHMENT LOCATION INFORMATION**


A. Type of Establishment:  Package  Restaurant  Tavern  Hotel/Banquet/Arcada/Q-Center  Other

B. Address applying for liquor license (exact street address): 101 E Main St	C. Number of Parking Spaces: 0	D. Outside Dining s.f. [17.20.020-R]: N/A	E. Holding Bar s.f. [5.08.010-F]: N/A
F. Total Building s.f.: 2600	G. Total Number of Seats: 4	H. Number of Bar Seats: N/A	I. Sale Counter s.f.: 40
J. Live Entertainment Area s.f. [5.08.010-H]: N/A	K. Kitchen s.f.: 100	L. Cooler s.f.: 160	M. Dry Storage s.f.: 140 <small>7/31/94</small>
N. Seating Area s.f.: 20	O. Retail/public Area s.f.: 1955	P. Service Bar s.f. [5.08.010-O]: N/A	

Q. Brief Business Plan description based on type of establishment listed above:  
Premises will be operated as an upscale convenience store providing groceries, cigarettes, coffee, alcohol, milk, lotto, lunches, household goods, etc.

**MANAGER INFORMATION**

Full Name, include middle initial: Terri A Simic	Title: Manager/LLC Manager		
Birthdate: [redacted]	Birthplace: [redacted]	Driver's License#: [redacted]	Home Phone: [redacted]
Home Address: [redacted]			
Full Name, include middle initial: Nicholas Simic	Title: Manager/LLC Manager		
Birthdate: [redacted]	Birthplace: [redacted]	Driver's License#: [redacted]	Home Phone: [redacted]
Home Address: [redacted]			
Full Name, include middle initial:	Title:		
Birthdate:	Birthplace:	Driver's License#:	Home Phone:
Home Address:			



**PROPOSED FLOOR PLAN/LAYOUT OF PROPERTY**

**Mandatory: attach to this application a floorplan or layout of the proposed facility to include the following:**

**CLASS B LICENSES**

- |    |  |
|----|--|
| 1. | Every application for a Class B license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale showing the following ( <b>check off once complete</b> ): <ul style="list-style-type: none"><li>a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;</li><li>b. The designated use of each room or segregated area (i.e. dining room, holding bar, service bar, kitchen, restrooms, outdoor seating areas, all rooms and segregated areas, including outdoor areas where alcoholic liquor may be served or consumed and all locations where live entertainment may be provided);</li><li>c. The proposed seating capacity of rooms or segregated areas where the public is permitted to consume food and/or alcoholic beverages and/or live entertainment may be provided.**</li></ul> |
| 2. | The site drawing is subject to the approval of the Local Liquor Control Commissioner. The Local Liquor Commissioner may impose such restrictions as he deems appropriate on any license by noting the same on the approved site drawing or as provided on the face of the license.   |
| 3. | A copy of the approved site drawing shall be attached to the approved license and is made a part of said license.  |
| 4. | It shall be unlawful for any Class B licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing.  |

**CLASS C LICENSES**

- |    |  |
|----|--|
| 1. | Every application for a Class C license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale, showing the following ( <b>check off once complete</b> ): <ul style="list-style-type: none"><li>a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;</li><li>b. The designated use of each room or segregated area (e.g. dining room, holding bar, service bar, kitchen, restrooms, outdoor seating areas, all rooms and segregated areas, including outdoor areas, where alcoholic liquor may be served or consumed and all locations where live entertainment may be provided);</li><li>c. The proposed seating capacity of rooms or segregated areas where the public is permitted to consume food and/or alcoholic beverages and/or live entertainment may be provided.**</li></ul> |
| 2. | The site drawing is subject to the approval of the Local Liquor Commissioner. The Local Liquor Commissioner may impose such restrictions as he deems appropriate on any licensee by noting the same on the approved site drawing or as provided on the face of the license.  |
| 3. | A copy of the approved site drawing shall be attached to the approved license and is made a part of said license.  |
| 4. | It shall be unlawful for any Class C licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing.  |

**\*\*THE FIRE PREVENTION BUREAU WILL FURNISH ALL FINAL, PERMITTED OCCUPANCY NUMBERS FOR THIS LICENSE.**

**CORPORATION / PREMISES QUESTIONS**

1.	<p>If applicant is an individual or partnership, is each and every person a United States citizen (5.08.070-2)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Is any individual a naturalized citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>If yes, print name(s), date(s), and place(s) of naturalization:</b></p>
2.	List the type of business of the applicant (5.08.070-3): <b>Upscale Convenience Store</b>
3.	Number of years of experience for the above listed type of business (5.08.070-4): <b>0</b>
4.	Amount of merchandise that normally will be in inventory when in operation (5.08.070-5): <b>\$ 70,000</b>
5.	Location/address and description of business to be operated under this applied for license (5.08.070-6): <b>101 E Main St., St. Charles, IL 60174. Single floor convenience store with basement storage facilities.</b>
6.	Is the premises owned or leased (5.08.070-6A)? <input type="checkbox"/> Owned <input checked="" type="checkbox"/> Leased
7.	<p>If the premises are leased, list the names and addresses of all direct owners or owners of beneficial interests in any trusts, if premises are held in trust (5.08.070-6B):</p> <p><b>Name of Building Owner: Arada BLDG LLC</b></p> <p>Address of Building Owner: <b>c/o Scott Price, 5464 174th Pl. SE, Bellevue WA 98006</b></p> <p>Mailing Address of Building Owner (if different):</p> <p>Phone Number: <b>206-419-3884</b>                      E-mail Address: <b>spricere@comcast.net</b></p> <p><b>Name of Building Owner:</b></p> <p>Address of Building Owner:</p> <p>Mailing Address of Building Owner (if different):</p> <p>Phone Number:                                      E-mail Address:</p> <p><b>Name of Building Owner:</b></p> <p>Address of Building Owner:</p> <p>Mailing Address of Building Owner (if different):</p> <p>Phone Number:                                      E-mail Address:</p>
8.	<p>Does the applicant currently operate, or operated in the past, any other establishment within the City of St. Charles that requires a liquor license? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>If yes, please list the business name(s) and address(es):</b></p> <p><b>N/A</b></p>



9.	<p>Does applicant have any outstanding debt with the City of St. Charles, including, but not limited to, utility bills, alcohol tax, and permit fees, for any current or previous establishment owned, operated or managed by the applicant? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p style="text-align: center;">N/A</p> <p><b>If yes, please note the City of St. Charles requires all debt to be paid in full before consideration of a new or renewed liquor license is issued.</b></p>
10.	<p>Are any improvements planned for the building and/or site that will require a building permit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>If yes, has a building permit been applied for?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>If yes, date building permit was applied for with Building &amp; Code Enforcement:</b> 9/14/17</p>
11.	<p>Has applicant applied for a similar or other license on the premises other than the one for which this license is sought (5.08.070-7)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>If yes, what was the disposition of the application? Explain as necessary:</b> N/A</p>
12.	<p>Has applicant (and all persons listed on page 1 of this application) ever been convicted of a felony under any Federal or State law, or convicted of a misdemeanor opposed to decency or morality (5.08.070-8)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Is applicant (and all persons listed on page 1 of this application) disqualified from receiving a liquor license by reason of any matter contained in Illinois State law and/or City of St. Charles Municipal Ordinances? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
13.	<p><b>List previous liquor licenses issued by any State Government or any subdivision thereof (5.08.070-9). Use additional paper if necessary.</b></p> <p><b>Government Unit:</b></p> <p>Date: _____ Location, City/State: _____</p> <p>Special Explanations: _____</p> <p><b>Government Unit:</b></p> <p>Date: _____ Location, City/State: _____</p> <p>Special Explanations: _____</p>
14.	<p>Have any liquor licenses possessed ever been revoked (5.08.070-9)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>If yes, list all reasons on a separate, signed letter accompanying this application.</b></p> <p>Has any director, officer, shareholder, or any of your managers, ever been denied liquor license from any jurisdiction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>If yes, proceed to Question 15. If more space is needed, please attach a separate sheet of paper with the information.</b></p>

15.	<p><b>Complete ONLY if yes was answered to the questions above (14):</b></p> <p>Name: _____ Name of Business: _____</p> <p>Position with the Business: _____</p> <p>Date(s) of Denial: _____</p> <p>Reason(s) for Denial of License: _____</p>
16.	<p>Date of Incorporation (Illinois Corporations) (5.08.070-10): 8-16-17</p> <p>Date qualified under Illinois Business Corporation Act to transact business in Illinois (Foreign Corporation):  <b>N/A</b></p>
17.	<p>Has the applicant and all designated managers read and do they all understand and agree not to violate any liquor laws of the United States, the State of Illinois, and any of the ordinances of the City of St. Charles in conducting business(5.08.070-11)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Have you, or in the case of a corporation, the local manager, or in the case of a partnership any of the partners, ever been convicted of any violation of any law pertaining to alcoholic liquor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Have you, or in the case of a corporation the local manager, or in the case of a partnership any of the partners, ever been convicted of a felony? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Have you ever been convicted of a gambling offense? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If a partnership or corporation, include all partners and the local manager(s).)</p> <p>Will you and all your employees refuse to serve or sell alcoholic liquor to an intoxicated person or to a minor?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
18.	<p><b>Mandatory:</b> All individual owners, partners, officers, directors, and/or persons holding directly or beneficially more than five (5) percent in interest of the stock of owners by interest listed on page 1 of this application must be fingerprinted by the City of St. Charles Police Department (5.08.070-A12).</p> <p>Has this been done? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, date(s): _____</p>
19.	<p><b>Mandatory:</b> Has the applicant attached proof of Dram Shop Insurance to this application or already furnished it to the City of St. Charles (5.08.060)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If already furnished, date of delivery: _____</p> <p><b>NOTE: Insurance must be issued from May 1, 20XX – April 30, 20XX in accordance with City code 5.08.060. Request a prorated rate from your insurance company if you are applying for a new license during this timeframe.</b></p>

20. **Mandatory:** Is the premises within 100 feet of any real property of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands, or children; and/or any military or naval station (5.08.230)?  
 Yes  No

**COMMENTS/ADDITIONAL INFORMATION**

**B.A.S.S.E.T. TRAINING**

Please list employees required to have B.A.S.S.E.T training on this page – include all managers, assistant managers, bartenders, and clerks who are permitted to make alcoholic liquor sales. **Include copies of certificates for managers only and mark Manager if applicable. Add another page, if needed.**

**Name:** Terri Simic A Yes  
(First) (Last) (Middle) Manager  
Home Street Address: [REDACTED]  
City, State, Zip: [REDACTED]  
Date of Course: 10/4/17 Place Course was Taken: Online  
Birthdate: [REDACTED] Certificate Granted: 10/4/17 Expiration: 10/4/20

**Name:** Nicholas Simic Yes  
(First) (Last) (Middle) Manager  
Home Street Address: [REDACTED]  
City, State, Zip: [REDACTED]  
Date of Course: 12/18/17 Place Course was Taken: Online  
Birthdate: [REDACTED] Certificate Granted: 12/18/17 Expiration: 12/18/20

**Name:**  
(First) (Last) (Middle) Manager  
Home Street Address:  
City, State, Zip:  
Date of Course: Place Course was Taken:  
Birthdate: Certificate Granted: Expiration:

**Name:**  
(First) (Last) (Middle) Manager  
Home Street Address:  
City, State, Zip:  
Date of Course: Place Course was Taken:  
Birthdate: Certificate Granted: Expiration:

**NEW MANAGEMENT REQUIREMENTS**

**Whenever a new manager comes on board, the City must be notified and that person must be fingerprinted.**

**It is the business establishment's responsibility to keep copies of all B.A.S.S.E.T. certificates on file for their employees.**

**APPLICATION FOR LATE NIGHT PERMIT**

**SUPPLEMENTAL TO LIQUOR LICENSE FOR CLASS B/C**

To: **St. Charles Liquor Control Commission**

Date:

I now possess or have applied for a liquor license Class

Applicant's Name:

Name of Business:

Business Address:

Business Phone:

**SUPPLEMENTAL PERMIT APPLIED FOR**

**Payment of Late Night Permit fee is required at the time the permit is issued.**

1:00 a.m. Late Night Permit – fee of \$800.00

2:00 a.m. Late Night Permit – fee of \$2,300.00

**NOTE:** Other permits that may be available upon request include:

- Class E – Special Event License (1 to 3-day event @ \$100.00 per day)
- Outdoor Dining Permit (Contact Community & Economic Development @ 630.377.4443)

**SIGNATURES**

 6/4/18  
Applicant's Signature

Liquor Commissioner hereby directs City Clerk to issue permit indicated above.

\_\_\_\_\_  
Liquor Commissioner's Signature

\_\_\_\_\_  
Date

**ADDENDUM TO RETAIL LIQUOR LICENSE APPLICATION****To be completed by the City of St. Charles Police Department**

Date:	Name of Applicant:
-------	--------------------

Name of Business:
-------------------

Address of Business:	Ward Number:
----------------------	--------------

**To Liquor Control Commissioner, City of St. Charles, Illinois**

Pursuant to the provision of the City of St. Charles Municipal Code, Chapter 5.08, Alcoholic Beverages, the following guide shall be in effect for the investigation of an applicant for a Retail Dealer's Liquor License:

1.	Date on which applicant will begin selling retail alcoholic liquors at this location:
----	---

2.	Is the location within 100 feet of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands or children; or any military or naval station? <input type="checkbox"/> Yes <input type="checkbox"/> No
----	---

3.	If the answer to question 2 is yes, answer the following: Is applicant's place of business a hotel offering restaurant service, a regularly organized club, a restaurant, a food shop, or other place where the sale of alcoholic liquors is not the principal business? <input type="checkbox"/> Yes <input type="checkbox"/> No  <b>If yes, answer a, b and c:</b> a. State the kind of such business: b. Give date on which applicant began the kind of business named at this location: c. Has the kind of business designated been established at this location for such purpose prior to February 1, 1934, and carried on continuously since such time by either the applicant or any other person?  <input type="checkbox"/> Yes <input type="checkbox"/> No
----	--

4.	If premises for which an alcoholic liquor license is herein applied for are within 100 feet of a church, have such premises been licensed for the sale of alcoholic liquor at retail prior to the establishment of such church? <input type="checkbox"/> Yes <input type="checkbox"/> No  <b>If yes, have the premises been continuously operated and licensed for the sale of alcoholic liquor at retail since the original alcoholic liquor license was issued therefore?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
----	--

5.	Is the place for which the alcoholic liquor license is sought a dwelling house, flat, or apartment used for residential purposes? <input type="checkbox"/> Yes <input type="checkbox"/> No
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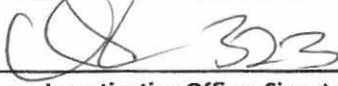
6.	Is there any access leading from premises to any other portion of the same building or structure used for dwelling or lodging purposes and which is permitted to be used or kept accessible for use by the public? (Connection between premises and such other portion of building or structure as is used only by the applicant, his/her family and personal guests not prohibited.) <input type="checkbox"/> Yes <input type="checkbox"/> No
----	---

7.	If applicant conducts or will conduct in the same place any other class of business in addition to that of City Retailer of Alcoholic Liquor, state the kind and nature of such business: <input type="checkbox"/> Yes <input type="checkbox"/> No
----	--

8.	Are all rooms where liquor will be sold for consumption on the premises continuously lighted during business hours by natural light or artificial white light so that all parts of the interior shall be clearly visible? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9.	Are premises located in any building belonging to or under the control of the State of Illinois or any other political subdivision thereof, such as county, city, etc.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10.	Are the premises for which license is herein applied for a store or place of business where the majority of customers are minors of school age or where the principal business transacted consists of school books, school supplies, food or drinks for such minors? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
11.	It is required by the City of St. Charles that all employees undergo BASSET training. Provide a copy of the certificate of training completion for each manager. All certificates for managers have been submitted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
12.	From your observation and investigation, has applicant—to the best of your knowledge—truthfully answered all questions? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, state exceptions:
13.	Have all persons named in this application been fingerprinted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Fingerprinted by: <u>SULLIVAN</u> Date: <u>050118</u>
14.	Other necessary data:

**SIGNATURES  
ENDORSEMENTS AND APPROVALS**

**INVESTIGATING OFFICER**

<u></u>	<u>323 / Commander</u>
Investigating Officer Signature	Badge Number & Rank

**ENDORSEMENT OF THE CHIEF OF POLICE**

Recommend Issuing Liquor License:  Yes  No

<hr/>	<hr/>
Signature Of Chief of Police	Date

# Serving Alcohol Operator License

**nicholas simic**

has successfully completed the course

**Illinois Alcohol Seller-Server**

License Code

wzfLdQ3T2U

Verify online at  
servingalcohol.com

Serving Alcohol Inc.

STATE OF ILLINOIS BASSET TRAINING PROGRAM  
Beverage Alcohol Sellers and Servers Education and Training  
LICENSE NUMBER: 12-5A-0100823

Persons completing this course acknowledge that it is illegal to sell, give or deliver alcoholic liquor to any person under the age of 21 years or to any intoxicated person. 625 ILCS 5/6-16(a)(1)

Persons completing this course acknowledge that it is illegal to sell, buy for, distribute samples of or furnish any cigar, cigarette, smokeless tobacco or tobacco in any of its forms to any minor under 18 years of age. 720 ILCS 675/680

Certification Date

Dec 18th, 2017



Learn more about this wallet card at <http://servingalcohol.com/wallet-card>

**Illinois BASSET Card (Temporary)**

**nicholas simic**

**Certification Date: Dec 18th, 2017**

**Certificate Code: wzfLdQ3T2U**

**Verify Online: servingalcohol.com**

**BASSET TRAINER: 12-5A-0100823**

**SERVING ALCOHOL INC  
VALID FOR 30 DAYS**

Student ID: 95429 Date of Birth: 07/31/1994

After 30 days print your official BASSET card here: <https://mytax.illinois.gov/?Link=Basset>



# BASSET Card



January 10, 2018



Letter ID: L0275673904

NICHOLAS SIMIC  
902 S RANDALL RD UNIT 306  
ST CHARLES IL 60174

License No.: 5A-0105593  
Expiration Date: 12/18/2020  
License Type: Basset Card

Your "Student ID number" is: 95429

Your "Trainer's ID number" is: 5A-0105593

Your BASSET Card is located BELOW

**DO NOT** throw away this letter as you will need your "Student ID number" directly above to re-print your card.

### IMPORTANT:

To re-print your card, visit the Illinois Liquor Control Commission website at [ILCC.Illinois.gov](http://ILCC.Illinois.gov)  
(click on the RESOURCES tab to access the "BASSET Card Lookup" page).

ILLINOIS LIQUOR CONTROL COMMISSION  
100 W. Randolph Street, Suite 7-801 - Chicago, IL 60601  
BEVERAGE ALCOHOL SELLERS AND SERVERS  
EDUCATION AND TRAINING [BASSET] CARD  
Date of Certification: 12/18/2017 Expires: 12/18/2020  
Trainer's IL Liquor License Number: 5A-0105593  
NICHOLAS SIMIC  
902 S RANDALL RD UNIT 306  
ST CHARLES IL 60174

**\*\*Card is not transferrable\*\***

# BASSET Card

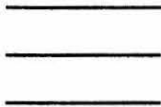


October 5, 2017



Letter ID: L0792409808

License No.: 5A-0105593  
Expiration Date: 10/4/2020  
License Type: Basset Card



TERRI SIMIC  
902 S RANDALL RD UNIT 306  
ST CHARLES IL 60174

**Your "Student ID number" is: 95428**

**Your "Trainer's ID number" is: 5A-0105593**

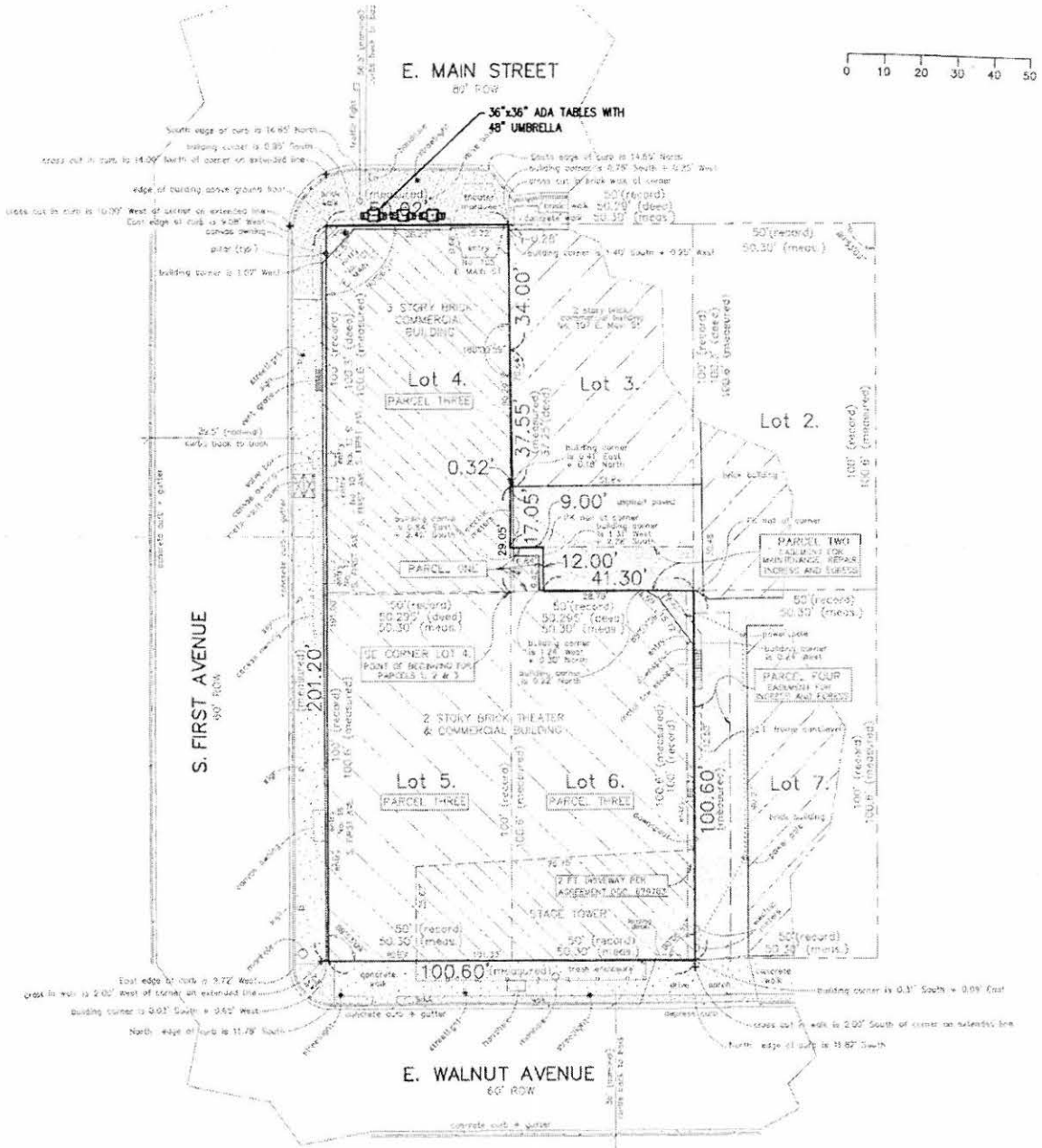
**Your BASSET Card is located BELOW**

**DO NOT throw away this letter as you will need your "Student ID number" directly above to re-print your card.**

### IMPORTANT:

To re-print your card, visit the Illinois Liquor Control Commission website at [ILCC.illinois.gov](http://ILCC.illinois.gov)  
(click on the RESOURCES tab to access the "BASSET Card Lookup" page).

**ILLINOIS LIQUOR CONTROL COMMISSION**  
100 W. Randolph Street, Suite 7-801 - Chicago, IL 60601  
**BEVERAGE ALCOHOL SELLERS AND SERVERS  
EDUCATION AND TRAINING [BASSET] CARD**  
Date of Certification: 10/4/2017 Expires: 10/4/2020  
Trainer's IL Liquor License Number: 5A-0105593  
TERRI SIMIC  
902 S RANDALL RD UNIT 306  
ST CHARLES IL 60174  
**\*\*Card is not transferrable - OFF-PREMISE ONLY\*\***



1 SITE PLAN  
SCALE: 1" = 30'



SHEET  
SP1.EX

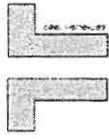
REVISIONS	DATE	BY	DESCRIPTION

DRAWN BY:  
FILE NAME:

**GORDY'S QUICK MART**  
101 E. Main St.  
St. Charles, IL 60174

**ECA**  
ARCHITECTS  
AND  
PLANNERS

24 N. BENNETT ST.  
GENEVA IL 60134  
PHONE 630 608 0500  
FAX 630 839 8875



**ARCADIS ELECTRONICS  
INTERNATIONAL INC.**  
INTERNATIONAL



250 SOUTH BROADWAY  
SUITE 2028  
HOUSTON, TX 77002  
TEL: 281-237-3440  
FAX: 281-237-3419  
WWW.ARCADISELECTRONICS.COM

ARCADIS ELECTRONICS AND ASSOCIATES, INC. IS A REGISTERED ARCHITECTURAL FIRM IN THE STATE OF TEXAS. THE ARCHITECTS' RESPONSIBILITY IS LIMITED TO THE DESIGN AND CONSTRUCTION OF THE PROJECT AS SHOWN ON THE DRAWINGS. THE ARCHITECTS' LIABILITY IS LIMITED TO THE DESIGN AND CONSTRUCTION OF THE PROJECT AS SHOWN ON THE DRAWINGS. THE ARCHITECTS' LIABILITY IS LIMITED TO THE DESIGN AND CONSTRUCTION OF THE PROJECT AS SHOWN ON THE DRAWINGS.



**REVISIONS**

NO.	DESCRIPTION
A 10/27/03	Revised Plan
A 10/28/03	Revised Plan to Owner
A 10/29/03	Revised Plan to Owner

**ISSUES**

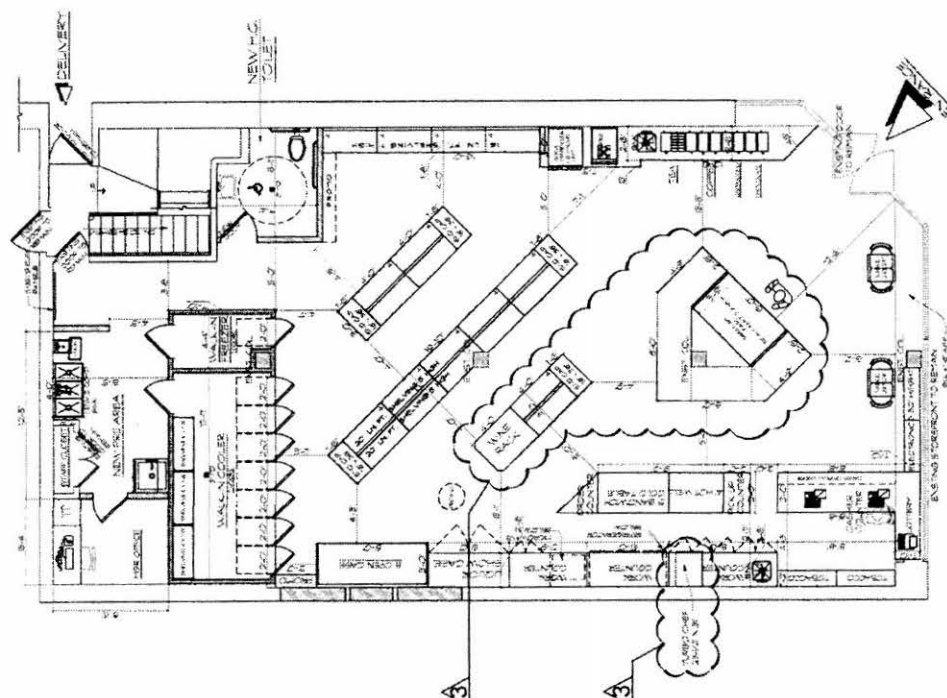
NO.	DATE	DESCRIPTION
1	10/27/03	ISSUE 1
2	10/28/03	ISSUE 2
3	10/29/03	ISSUE 3

Project: **Gordys Quick Mart**

10 E Main St  
St Charles, MO 63074

Proposed  
Equipment Plan

Drawn by	Checked by
Scale	Date
Sheet No.	Total No. Sheets
<b>ID-1</b>	



**WALL LEGEND**

[Symbol]	NEW WALL
[Symbol]	NEW COLOR
[Symbol]	EXISTING WALL
[Symbol]	EXISTING WALL

**NOTE: CONTRACTOR TO VERIFY ALL FIELD DIMENSIONS AND ANGLES BEFORE CONSTRUCTION**

**PROPOSED FIXTURE FLOOR PLAN**  
SCALE: 3/8" = 1'-0" (2,028 Square Ft. Net Book Errors not included)

## COMMERCIAL LEASE

THIS COMMERCIAL LEASE, dated as of the 21st day of July, 2017, by and between Arcada BLDG LLC, an Illinois Limited Liability Company ("Landlord") and Gordy's Quick Mart of St. Charles LLC, a to be formed Illinois limited liability company ("Tenant") is hereby entered into upon the following terms and conditions:

**1. PREMISES.** In consideration of the mutual promises, covenants and conditions hereinafter set forth, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord upon the terms and conditions herein set forth, the street level first floor corner space with the address commonly known as 101 E. Main Street, St. Charles, Illinois and the secured area in the basement below the street level first floor corner space that will only be accessible by Tenant for the purposes of storage, in the Arcada Theatre Building located at the corner of Main Street and Riverside in St. Charles, Illinois, the general areas as set forth in the site plan attached hereto as Exhibit B and made a part hereof (the "Premises"), together with all improvements and fixtures contained in the Premises and any and all the fixtures, improvements now or hereinafter located or installed thereon in the Building including and any other facilities available for common use (the "Building") which other tenants have the right of use or enjoyment. The Building is described on Exhibit A (Legal Description) attached hereto and by this reference incorporated herein. The real property described in Exhibit A referred to herein is situated in the City of St. Charles, County of Kane, State of Illinois. Landlord specifically excepts and reserves to itself the use of the roof, exterior portions of the Premises, and such areas within the Premises required for structural columns and their enclosures and the installation, maintenance and repair of utility lines, building systems and other installations required in the Building from time to time during the Term of this Lease. Landlord specifically reserves to itself possession and use of the common areas, roof, exterior portions of the Premises, and such areas within the Premises required for structural columns and their enclosures and the installation, maintenance and repair of utility lines, building systems and other installations required in the Building from time to time during the Term of this Lease, all rights to the land and improvements below floor level of the Premises and to the light and air over the Building.

## **2. TERM.**

**2.1 Term.** The term ("Term") of this Lease shall be for the period commencing on the earlier to occur of (i) November 1, 2017 or (ii) the date the Tenant opens for business to the public (the "Commencement Date") and ending on October 31, 2022 (the "Expiration Date"), unless sooner terminated as provided herein. Notwithstanding the date set forth for commencement of the Term, the provisions of this Lease shall apply from the date hereof.

**2.2 Lease Year.** For the purpose of this Lease or any renewal thereof, the term "Lease Year" shall mean and refer to that period for twelve (12) full consecutive calendar months beginning with the first full calendar month of the Term (except that if the Term commences on other than the first day of a calendar month, then the initial fractional month of the Term plus the next succeeding twelve (12) full calendar months shall constitute the first Lease Year of the Term), each subsequent period of twelve (12) consecutive calendar months during the Term, and any period for less than twelve (12) full consecutive calendar months immediately preceding the termination of this Lease.

## **2.3 Extension.**

(a) If this Lease is in full force and effect, and Tenant is not in default under said Lease, Tenant shall have the right to extend the Term of this Lease (subject to section b. herein) for one ( 1 ) five-year period ("Option Period"), to commence at the end of the initial Lease Term, which extension shall be upon the same terms and conditions as contained in this Lease, with the exception of this paragraph 2.3 and the

Base Rent shall be increased for each Lease Year by 3% of the prior Lease Year Base Rent.

(b) The Option Periods provided for herein shall be applicable only if (i) Tenant has provided Landlord not less than one hundred and eighty (180) days' prior written notice of its intent to extend this Lease for the Extension Term. The giving of such notice shall be effective to renew this Lease and to extend the Term hereof as to the Premises without the necessity for execution of any further instrument by either party.

3. **RENT.** Tenant shall pay to Landlord as a direct payment to Landlord's bank account or to such other persons or at such other places as Landlord may designate in writing, Base Rent on or before the first day of each and every month during the Term ("Base Rent") as follows:

<u>Period</u>	<u>Monthly</u>
Commencement Date - Oct 31, 2018	\$4,000
Nov 1, 2018- Oct 31, 2019	4,400
Nov 1, 2019- Oct 31, 2020	4,600
Nov 1, 2020- Oct 31, 2021	4,800
Nov 1, 2021- Oct 31, 2022	5,200

All payments made by Tenant to Landlord under this Lease, including but not limited to, Base Rent, Real Property Taxes and Insurance shall be considered Rent. Rent for any period during the Term hereof which is for less than one month shall be a prorata portion of the monthly installment. Tenant agrees that Rent shall be due each month without any set-offs, deductions or counterclaims whatsoever except as provided herein. Landlord may apply payments received from Tenant, to any obligations of Tenant there accrued, without regard to Tenant's designation. Tenant shall be obligated to pay to Landlord interest at the rate of twelve percent (12%) per annum or, provided that the interest rate charged shall not exceed the maximum rate permitted by law, on all sums Tenant is obligated to pay under the terms of this Lease from the date said sums and charges become due and remain unpaid until the date said sums and charges are paid in full. On the first occurrence only in any lease year that Tenant's Rent has not been paid when due, the Landlord will provide written notice of such non-payment and Tenant shall have five (5) days to pay such rent without penalty as set forth herein. Notwithstanding the foregoing, Tenant shall pay any sales tax, service tax, transfer tax, value added tax or any other applicable utilities or services with respect to this Lease.

#### 4. **CONDITION OF THE PREMISES AND POSSESSION.**

4.1 **Conditions of the Premises.** Tenant agrees to accept the Premises, Building, and any systems and equipment serving the Premises without any agreement, representations, understandings or obligations on the part of Landlord to perform any alterations, repairs or improvements. During any period that Tenant shall be permitted to enter the Premises prior to the Commencement Date, Tenant shall comply with all terms and provisions of this Lease, except those provisions requiring the payment of Rent.

4.2 **Turn-Over-Date.** Possession of the Premises shall be tendered to Tenant by Landlord upon full execution of this Lease, payments of the Security Deposit and first month's Rent (the "Turn-Over-Date"). The Security Deposit and first month's Rent shall be paid upon full execution of this Lease.

5. **USE AND COMPLIANCE WITH LAWS.**

5.1 **Use.** Tenant will use and occupy the Premises for the use as a high-end and upscale convenience store (as a matter of example: materially higher-end and upscale as compared to the chain convenience stores, such as 7-Eleven convenience stores) for no other reason whatsoever without Landlord's reasonable written consent.

5.2 **Compliance with Laws.** Landlord represents that to its knowledge they have received no notices for violations of any codes or ordinances applicable to the Premises. Tenant, at its own cost and expense, shall fully and promptly comply with each and all current or future laws, regulations and ordinances made by or pursuant to any federal, state, county, municipal or other lawful authority, in, upon, appertaining to, or affecting the demised premises or their appurtenances and Tenant's use thereof, including without limitation any expenditures or improvements required to be made to the Premises or Building to comply with the Americans with Disabilities Act ("ADA"), and shall pay all fines and penalties incurred by said demised premises or by either Landlord or Tenant, which may be imposed by reason of any failure, actual or alleged, on the part of the Tenant thus promptly to comply with and execute the same. Tenant further covenants and agrees to pay all charges, license fees, inspection fees, permit fees and other impositions, levied, charged, imposed or assessed against Landlord or Tenant during the term hereof by any governmental authority in connection with the demised premises or the use or occupancy thereof.

6. **MAINTENANCE, REPAIRS, AND ALTERATIONS.**

6.1 **Landlord's Maintenance and Repairs.** Except for repairs and replacements that Tenant must make under Section 6.2 hereunder or as required of Tenant under any other sections of this Lease, Landlord shall pay for and make all other maintenance, repairs and/or replacements to the Building. This maintenance shall include, but not limited to, the roof, foundation, exterior walls, interior structural walls, alley, landscape areas and all structural components. Notwithstanding anything to the contrary contained herein, Landlord shall not be required to make such repairs if any damage shall have been caused by any act or omission of or violation of this Lease by Tenant or any of its employees, agents, invitees or contractors, in which event Landlord may require that Tenant perform such repairs (without limiting Landlord's other remedies therefor). Landlord shall not be required to maintain the interior surface of exterior walls, windows, doors or plate glass and store fronts. Landlord shall commence to make repairs under this Section within a reasonable time (not to exceed thirty (30) days in any event) after Tenant's written notice of the need of such repairs. If Landlord fails to make such repairs within thirty (30) days after Tenant's notice (except when the repairs are such that more than thirty (30) days are required for its performance and Landlord commences the performance within the thirty (30) day period and thereafter diligently pursues the cure to completion), Tenant may, at its option, undertake such repairs and deduct the cost thereof from the installments of rent next falling due.

6.2 **Tenant's Obligations.** Unless Landlord is required to maintain or repair under Section 6.1, Tenant shall keep the Premises in good working order, repair and condition, including replacements (which condition shall also be clean, sanitary, sightly and free of pests and rodents). Tenant's obligations hereunder shall include, but not be limited to, Tenant's trade fixtures and equipment, security gates, ceilings, walls, storefront, entrances, signs, interior decorations, floor-coverings, wall-coverings, entry and interior doors, exterior and interior glass, plumbing fixtures, light fixtures and bulbs, keys and locks, and to the extent serving the Premises, fire extinguishers and fire protection and alarm systems, and equipment and lines for water, sewer (including free flow up to the common sewer line), electrical, gas, steam, and mechanical facilities, HVAC repairs and replacements, and other systems and equipment which serve the Premises exclusively whether located within or outside the Premises, and all alterations and improvements to the Premises whether installed by Landlord or Tenant. Tenant shall also at Landlord's option perform or reimburse Landlord for any repairs, maintenance and replacements to areas of the Building outside the Premises caused as a result of moving any furniture, fixtures, or other

property to or from the Premises, or otherwise caused by Tenant or any other work by Tenant hereunder shall be deemed "Tenant's Work" under this Lease, and shall be subject to all of the requirements thereunder, including Landlord's prior written approval. Notwithstanding anything to the contrary contained herein, Tenant shall not be required to make such repairs if any damage shall have been caused by any act or omission of, or violation of this Lease by, Landlord or any of its employees, agents, invitees or contractors, in which event Tenant may require that Landlord perform such repairs (without limiting Tenant's other remedies therefor). Tenant shall commence to make repairs under this Section within a reasonable time (not to exceed thirty (30) days in any event) after Landlord's written notice of the need of such repairs; unless, when the repairs are such that more than thirty (30) days are required for its performance and commences the performance within the thirty (30) day period and thereafter diligently pursues the cure to completion.

**6.3 Surrender.** Tenant upon expiration or termination of this Lease or termination of Tenant's right of possession, agrees peaceably to surrender the Premises to Landlord, including the alterations, additions, improvements, changes and fixtures other than Tenant's trade fixtures and personal property, in broom-clean condition and in reasonable repair, except for damage caused by acts of God, ordinary use and wear. Tenant agrees to remove Tenant's trade fixtures and personal property upon any such expiration or termination and to repair all damage to the Premises or the Building caused by such removal. If Tenant shall fail or refuse to comply with Tenant's duty to remove all trade fixtures and personal property from the Premises or the Building on or before the above-specified date, the parties hereto agree and stipulate that Landlord may, at its election: (i) treat such failure or refusal as an offer by Tenant to transfer title to such trade fixtures and personal property to Landlord, in which event title thereto shall thereupon pass under this Lease as a bill of sale to and vest in Landlord absolutely without any cost either by set-off, credit allowance or otherwise, and Landlord may remove, sell, retain, donate, destroy, store, discard, or otherwise dispose of all or any part of said trade fixtures and personal property in any manner that Landlord shall choose; or (ii) treat such failure or refusal as conclusive evidence, on which Landlord and any third party shall be entitled absolutely to rely and act, that Tenant has forever abandoned such trade fixtures and personal property, and without accepting title thereto, Landlord may at Tenant's expense enter into and upon the Premises and remove, sell, retain, donate, destroy, store, discard or otherwise dispose of all or any part thereof in any manner that Landlord shall choose without incurring liability to Tenant or to any other person. In no event shall Landlord ever become or accept or be charged with the duties of a bailee (either voluntary or involuntary) of any trade fixtures and personal property, and the failure of Tenant to remove all personal property from the Premises, the Building shall forever bar Tenant from bringing any action or from asserting any liability against Landlord with respect to any such fixtures or property which Tenant fails to remove. If Landlord elects to remove all or any part of said fixtures and personalty, the cost of such removal, including repairing any damage to the Premises caused by such removal and/or the cost of storage of said fixtures and personalty, shall be paid by and be at the risk of Tenant.

**6.4 Garbage.** Tenant shall pay for its own garbage, refuse and recycle disposal and collection at its sole cost and expense and strictly observe the Building's garbage collection program and procedures as Landlord reasonably imposes from time to time.

**6.5 Landlord's Rights.** If Tenant fails to perform Tenant's obligations under this Article 6, Landlord may, but shall not be required to, enter upon the Premises, after thirty (30) days' prior written notice to Tenant, except in the case of an emergency, remedy the issue and put the same in good order, condition and repair, and the reasonable costs thereof shall become due and payable as additional Rent to Landlord together with Tenant's next Rent installment.



## 6.6 Alterations and Additions.

(a) Tenant shall not make any alterations, improvements, additions or repairs in, on, or about the Premises without Landlord's prior written consent, which shall not be reasonably withheld or delayed.

(b) Before commencing any work relating to alterations, additions and improvements affecting the Premises requiring Landlord's consent under this Section, Tenant shall notify Landlord in writing of the expected date of commencement thereof.

(c) Tenant agrees to obtain at its sole cost and expense all permits, licenses, variances and approvals (collectively called the Permits) required, obtain and post bonds if required by a party other than Landlord, submit contractor, subcontractor and supplier lien waivers with respect to any Tenant's Work, as hereinafter defined. Any work performed by Tenant shall be referred to as "Tenant's Work". Tenant shall perform all Tenant's Work in compliance with all Laws and other provisions of this Lease, including without limitation, the Americans with Disabilities Act.

(d) Tenant shall keep the Building, Premises and this Lease free from any mechanic's, materialman's or similar liens or encumbrances, and any claims therefor, in connection with any Tenant's Work performed prior to or during the Term. Tenant shall give Landlord notice at least ten (10) days prior to the commencement of any Tenant's Work required to be approved by Landlord (or such additional time as may be necessary under applicable Laws), to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Tenant shall obtain lien waivers from all contractors during the construction process as it makes payments to the contractors and final lien waivers upon completion of Tenant's Work and shall forward to Landlord copies of all such lien waivers. Tenant shall remove any claim, lien or encumbrance by bond or otherwise within thirty (30) days after notice by Landlord. If Tenant fails to do so, Landlord may pay the amount or take such other action as Landlord deems necessary to remove such claim, lien or encumbrance without being responsible for investigating the validity thereof. The amount so paid and costs incurred by Landlord shall be deemed additional Rent under this Lease payable upon demand, without limitation as to other remedies available to Landlord. Nothing contained in this Lease shall authorize Tenant to do any act which shall subject Landlord's title to the Building or Premises to any such notices, liens or encumbrances whether claimed by operation of statute or other Law or express or implied contract. Any claim to a lien or encumbrance upon the Building or Premises arising in connection with any Tenant's Work shall be null and void, or at Landlord's option shall attach only against Tenant's interest in the Premises and shall in all respects be subordinate to Landlord's title to the Building and Premises.

(e) All alterations, improvements, or additions which may be made on the Premises shall become the property of Landlord. Notwithstanding the provisions of this Section, machinery, equipment, and trade fixtures provided by Tenant, other than that which is affixed to the Premises so that it cannot be removed without material damage to the Premises, shall remain the property of Tenant and may be removed by Tenant subject to the provisions of Section 6.3. All machinery, equipment, and trade fixtures which were existent at Turn-over-Date shall remain property of Landlord. During the Term, Tenant shall use reasonable care in its use and properly maintain such machinery, equipment, and trade fixtures and upon Expiration or Early Termination of this Lease leave such machinery, equipment, and trade fixtures in the

same condition as received, ordinary wear and tear excepted. Landlord acknowledges that Tenant shall be installing certain lighting, sound and projection equipment which shall remain Tenant's property.

## 7. INSURANCE; INDEMNITY.

**7.1 Liability Insurance.** Tenant shall obtain and keep in force during the term of this Lease a policy of general comprehensive liability insurance, naming Landlord as additional insured as its interest may appear from time to time, against any liability arising out of the use, occupancy, or maintenance of the Premises. Such insurance shall provide coverage for and shall be in an amount of not less than \$1,000,000 for injury to or death of one person in any one accident or occurrence and in an amount of not less than \$2,000,000 for injury to or death of more than one person in any one accident or occurrence. Tenant will provide to Landlord a certificate naming Landlord as additional insured on such policy and renewals required under this Section. Such certificates shall state that the coverage may not be changed or cancelled without at least thirty (30) days' prior written notice to Landlord. The existence of such policy or policies shall not limit or affect Tenant's above stated undertaking to save and keep Landlord, its agents and servants, and the demised premises and improvements harmless from any and all such claims, demands, penalties, damages, suits, court costs, fines, judgments, liens, expenses and liabilities.

**7.2 Tenant's Property Insurance.** Tenant shall maintain in full force and effect on all of its fixtures, Tenant's Work and equipment in the leased Premises, policies of fire and extended coverage insurance with standard coverage endorsement to the extent of at least eighty percent (80%) of their insurable value. During the Lease Term, the proceeds from any such policy or policies of insurance shall be used for the repair or replacement of the fixtures and equipment so insured. Landlord shall have no interest in the insurance upon Tenant's equipment and fixtures and will sign all documents which are necessary or appropriate in connection with the settlement of any claim or loss by Tenant. Subject to Section 7.7 hereof, Landlord shall not be responsible for damage to or loss of Tenant's property. All insurance required hereunder shall be provided by responsible insurers rated at least A and 10 in the then current edition of Best's Insurance Guide and shall be licensed in Illinois. Tenant's property damage insurance shall include full replacement cost coverage and the amount shall satisfy any coinsurance requirements under the applicable policy.

**7.3 Subrogation.** Such certificates shall state that the coverage may not be changed or cancelled without at least thirty (30) days' prior written notice to Landlord. Neither Landlord nor Tenant shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income and benefits, even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees if any such loss or damage is covered by insurance benefiting the party suffering such loss or damage or was required to be covered by insurance pursuant to this Lease.

**7.4 Landlord's Insurance.** During the term of this Lease and any renewal hereof, Landlord shall keep and maintain in full force and effect, a policy of commercial general liability insurance (to include but not be limited to contractual liability covering Landlord's obligations under Section 7.7) insuring Landlord's activities upon, in or about the Premises or the Building against claims of bodily injury or death or property damage or loss with a limit of not less than \$1,000,000 for injury to or death of one person in any one accident or occurrence and in an amount of not less than \$2,000,000 for injury to or death of more than one person in any one accident or occurrence. Landlord shall insure the Premises and the Building including the Improvements, (excluding any property which Tenant is obligated to insure under Sections 7.1 and 7.2) for their full replacement value against damage and destruction by fire, vandalism, and other perils in the amount of the full replacement value of the

Premises and the Building, as the value may exist from time to time. Landlord shall provide a certificate of such policy to Tenant required under this Section.

**7.5 Waiver of Claims.** Except for claims arising from Landlord's negligent acts, willful misconduct or events related to Hazardous Material not caused by Tenant or any of its employees, agents invitees or contractors, as defined in Section 19 hereof, that are not covered by Tenant's insurance hereunder, Tenant waives all claims against Landlord for injury or death to persons, damage to property or to any other interest of Tenant sustained by Tenant or any party claiming through Tenant resulting from any occurrence in or upon the Premises, including, but not limited to (i) leaking of roofs, bursting, stoppage or leaking of water, gas, sewer or steam pipes or equipment, including sprinklers, (ii) wind, rain, snow, ice, flooding, freezing, fire, explosion, earthquake, excessive heat or cold, fire or other casualty, (iii) the Building, Premises, systems and equipment to be maintained by Landlord being defective, out of repair, or failing, and (iv) vandalism, malicious mischief, theft or other acts or omissions of any other parties including without limitation, other tenants, contractors and invitees at the Building, except as set forth in Section 19 hereof. To the extent that Tenant is required to or does carry insurance hereunder, Tenant agrees that Tenant's property loss risks shall be borne by such insurance, and Tenant agrees to look solely to and seek recovery only from its insurance carriers in the event of such losses; for purposes hereof, any deductible amount shall be treated as through it were recoverable under such policies.

**7.6 Indemnification by Tenant.** Except to the extent arising from the negligent acts or willful misconduct or breach of the covenants or provisions of this Lease by Landlord or Landlord's agents or employees, Tenant shall defend, indemnify and hold harmless Landlord from and against any and all claims, demands, liabilities, damages, judgments, orders, decrees, actions, proceedings, fines, penalties, costs and expenses, including without limitation, court costs and attorneys' fees arising from or relating to any violation of Law, loss of life, damage or injury to persons, property or business occurring in, Premises, or caused by or in connection with any violation of this lease or use of the Premises or Building, or any other act or omission of, Tenant, or any of its respective agents, employees, invitees or contractors. Without limiting the generality of the foregoing, Tenant specifically acknowledges that the indemnity undertaking herein shall apply to claims in connection with or arising out of any "Tenant's Work", the use or consumption of any utilities in the Premises, any repairs or other work by or for Tenant and the transportation, use, storage, maintenance, generation, manufacturing, handling, disposal, release or discharged of any "Hazardous Material" as described in the Lease (whether or not such matters shall have been theretofore approved by Landlord).

**7.7 Indemnification by Landlord.** Except to the extent arising from the negligent acts, willful misconduct or breach of the covenants or provisions of this Lease by Tenant or Tenant's agents, employees, invitees or contractors, Landlord agrees to indemnify, defend and hold harmless Tenant from and against all claims, liabilities, losses, damages and expenses for personal injury, loss of life and property damage arising from or out of any occurrence in or upon the Building, exclusive of the Premises.

## **8. DAMAGE OR DESTRUCTION.**

**8.1 Restoration by Landlord.** If the Premises shall be damaged by fire or other casualty, Landlord shall use available insurance proceeds to repair the Premises, except that Landlord shall not be required to repair or replace any of Tenant's furniture, furnishings, fixtures or equipment, or any alterations or improvements or any Tenant's Work as provided in this Lease and Landlord's obligations shall be subject to any governmental requirements or requirements of any Lender and such Lender's right to control, apply or withhold such insurance proceeds. Subject to Section 7.7 hereof, Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof.

**8.2 Restoration by Tenant.** If Landlord repairs the Premises as provided herein, Tenant shall repair and replace Tenant's Work, all items required to be insured by Tenant hereunder, and all other items required to restore the Premises to the condition required under this Lease. Tenant shall commence such work within ten (10) days following "Substantial Completion" by Landlord of any repairs required by Landlord hereunder and shall proceed diligently therewith to completion. The Restoration is determined "Substantially Completed" the Premises has been restored to a condition that enables Tenant to commence its restoration obligation under this Section 8.2. Tenant's work hereunder shall constitute "Tenant's Work" under the Lease, and shall be subject to all of the provisions thereof. Tenant may close the Premises for business to the extent reasonably required in connection with such work.

**8.3 Abatement of Rent.** Landlord shall allow Tenant a proportionate abatement of Rent from the date of the casualty through the date that Landlord substantially completes Landlord's repair obligations hereunder (or the date that Landlord would have substantially completed such repairs, but for delays by Tenant, its agents, employees, invitees, transferees and contractors), provided such abatement: (i) shall apply only to the extent the Premises are untenable for the purposes permitted under this Lease and not used by Tenant as a result thereof, based proportionately on the square footage of the Premises so affected and not used, and (ii) shall not apply if Tenant or any other occupant of the Premises, or any of their employees, agents, invitees or contractors cause the damage. Notwithstanding the foregoing, if Tenant is not able to operate its business from the Premises due to such damage or destruction which was not caused by Tenant, its agents, invitees or employees, Tenant's Rent shall abate until such time that Tenant has completed its restoration work pursuant to Section 8.2 hereof; however, if Tenant fails to perform its obligation under Section 8.2 hereof, Rent shall be abated until such time Landlord has Substantially Completed its restoration under Section 8.1 hereof.

**8.4 Termination of Lease.** Notwithstanding the foregoing to the contrary, Landlord may elect to terminate this Lease, if the Building is materially damaged by Tenant or any of its agents, employees, invitees or contractors, or if the Building is damaged by fire or other casualty or cause such that: (a) more than 25% of the Premises is affected by the damage, or (b) the damage occurs less than one year prior to the end of the Term, or (c) any Lender requires that the insurance proceeds or any portion thereof be applied to the Mortgage debt (or terminates the ground lease, as the case may be), or the damage is not fully covered by Landlord's insurance policies, or (d) in Landlord's reasonable opinion, the cost of the repairs, alterations, restoration or improvement work would exceed 25% of the replacement value of the Building or of the portion thereof owned or ground leased by Landlord (whether or not the Premises is affected). In any such case, Landlord may terminate this Lease by notice to Tenant within 90 days after the date of damage (such termination notice to include a termination date providing at least thirty (30) days for Tenant to vacate the Premises). Tenant agrees that Landlord's obligation to restore, and the abatement of Rent provided herein, shall be Tenant's sole recourse in the event of such damage, and waives any other rights Tenant may have under any applicable Law to terminate this Lease by reason of damage to Building.

## 9. REAL PROPERTY TAXES.

**9.1 Payment of Real Property Taxes.** Landlord shall pay the Real Property Taxes directly to the taxing authorities. Tenant shall pay Landlord in the manner provided in Section 11, as additional Rent, Tenant's proportionate share of Real Property Taxes (as defined below) for the Term of this Lease. Landlord shall provide Tenant within a reasonable time copies of the Real Property Tax bills and assessment notices on the Building upon written request, by Tenant or other data as may be necessary to verify its proportion of the Real Property Taxes. Tenant shall be required to pay only its proportionate share of such Real Property Taxes prorated for the first and last years that such taxes are payable hereunder. In the event that, in the Landlord's reasonable discretion, there is a basis for challenging any increase in the assessment, Landlord shall appeal, challenge or seek modification of any tax assessment or billing for which Tenant is wholly or partly responsible for payment.

**9.2 Definition of Real Property Taxes.** As used herein, the term "Real Property Taxes" shall include all taxes and assessments, general and special, and all other impositions, ordinary and extraordinary, of every kind and nature whatsoever, which may be levied, assessed imposed by any authority having the direct or indirect power to tax, as against any legal or equitable interest of Landlord in the Premises or in the real property of which the Premises are a part, provided, however, that the term "Real Property Taxes" shall not include any inheritance, estate, succession, transfer, gift, franchise, or capital stock tax, or any income taxes arising out of or related to ownership and operation of income-producing real estate, any excise taxes imposed upon Landlord or other income received by it. If the assessment is reduced because of efforts or appealed by a real estate tax consultant on a contingency basis and the assessment is reduced as a result thereof, the cost of the contingency fee shall be added to and included in the total amount determined for such tax year as Real Property Taxes. If the assessor makes any adjustments for vacancy or other economic factors for any tax year, Real Property Taxes for such year will be based on the assessment prior to or before any such adjustments.

**10. UTILITIES.** Tenant shall: (i) make application in Tenant's own name for all utilities, (ii) comply with all utility company regulations for such utilities, and (iii) obtain such utilities directly from, and pay for the same when due directly to the applicable utility company. Tenant shall pay for all water, trash and recycle removal, sewer, fire protection, telephone, alarm service, gas and electricity used by Tenant during the term hereof. To the extent any utility is not separately metered, Tenant shall pay to Landlord, Tenant's share of such utility or utilities as reasonably determined by Landlord.

Landlord shall not charge Tenant a rate for any utility in excess of the rate Landlord must pay the supplier of the service. Landlord does not warrant that any utilities will be free from shortages, failures, variations, or interruptions caused by repairs, maintenance, replacements, improvements, alterations, changes of service, strikes, lockouts, labor controversies, accidents, inability to obtain services, fuel, steam, water or supplies, governmental requirements or requests, or other causes beyond Landlord's reasonable control. None of the same shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord liable to Tenant for abatement of Rent, or relieve Tenant from performance of Tenant's obligations under this Lease. Subject to Section 7.7 hereof, Landlord in no event shall be liable for damages by reason of such shortage, failure, variation, or interruption, including without limitation, loss of profits, business interruption or other incidental or consequential damages, except that all rental payments hereunder shall abate if and when the interruption of services is continuous for more than five (5) consecutive days and prevents Tenant from conducting business in the Premises

**11. TENANT'S PRORATA SHARE OF REAL PROPERTY TAXES AND INSURANCE.**

**11.1** Tenant shall pay to Landlord, as additional rent, Tenant's Proportionate Share of Real Property Taxes in excess of the base amount (Base Amount for Real Property Taxes is \$37,269) and Insurance (as defined below) in excess of the base amount (Base Amount for Insurance is \$7,204).

**11.2** For purposes of this Lease, it is agreed by Landlord and Tenant that Tenant's Proportionate Share of Real Property Taxes and Insurance shall be equal to 9.2%.

**11.3 A. Real Property Taxes.** Tenant shall pay Landlord an amount equal to Tenant's Proportionate Share of Real Property Taxes in excess of the Base Amount in the manner described below.

**B. Insurance.** Tenant shall pay Landlord an amount equal to Tenant's Proportionate Share of Insurance in excess of the Base Amount in the manner described below

**C. Manner of Payment.** Real Property Taxes and Insurance shall be paid in the following manner:

(i) Landlord may reasonably estimate in advance the amounts Tenant shall owe for Real Property Taxes and Insurance for any full or partial calendar year of the Term. In such event, Tenant shall pay such estimated amounts, on a monthly basis, on or before the first day of each calendar month, together with Tenant's payment of Base Rent. Tenant shall pay initially and until further notice by Landlord the estimated amounts. Landlord may reasonably adjust the estimated amounts, from time to time prior to the Commencement Date and during the Term.

(ii) As soon as practicable after the end of each calendar year or when actual tax bills are received, Landlord shall provide a statement (the "Statement") to Tenant showing: (a) the amount of actual Real Property Taxes and Insurance for such calendar year, (b) any amount paid by Tenant towards Real Property Taxes and Insurance during such calendar year on an estimated basis, and (c) any revised estimate of Tenant's obligations for Real Property Taxes and Insurance for the current calendar year.

(iii) If the Statement shows that Tenant's estimated payments were less than Tenant's actual obligations for Real Property Taxes and Insurance for such year, Tenant shall pay the difference. If the Statement shows an increase in Tenant's estimated payments for the current calendar year, Tenant shall pay the difference between the new and former estimates for the period from January 1 of the current calendar year through the month in which the Statement is sent. Tenant shall make such payments within thirty (30) days after Landlord sends the Statement or with next Rent due, whichever is earlier.

(iv) If the Statement shows that Tenant's estimated payments exceeded Tenant's actual obligations for Real Property Taxes and Insurance, Tenant shall receive a credit for the difference against payments of Rent next due. If the Term shall have expired and no further Rent shall be due, Landlord shall refund such difference when Landlord sends the Statement.

**D. Tax Refunds, Supplemental Billings and Fiscal Tax Years.** Tax refunds shall be deducted from Real Property Taxes in the year they are received by Landlord, but if any refund shall relate to Real Property Taxes paid in a prior year of the Term and the Lease shall have expired, Landlord shall mail Tenant's Proportionate Share of such net refund after deducting expenses and attorneys' fees to Tenant's last known address. If Real Property Taxes for any period during the Term or any extension thereof shall be increased after payment thereof by Landlord for any reason, including without limitation, error, reassessment, or supplemental billing by applicable governmental or municipal authorities, Tenant shall pay Landlord within thirty (30) days after notice of Tenant's Proportionate Share of such increased Real Property Taxes or with next Rent due, whichever is earlier. If any Real Property Taxes shall be paid based on assessments or bills by a governmental or municipal authority using a fiscal year other than a calendar year, Landlord may elect from time to time to bill Tenant and make adjustments: (i) based on such fiscal year, or (ii) based on tax payments becoming due during the subject calendar year without regard to such fiscal year.

**E. Finality of Statements.** Unless Tenant takes exception to any Statement by written notice to Landlord within sixty (60) days after Landlord provides such Statement to Tenant, such Statement shall be considered final and binding on Tenant except that a computational error only can be corrected by either party within three (3) years after Landlord provides such Statement to Tenant. Tenant acknowledges that Landlord's ability to budget and incur expenses depends on the finality of such Statement, and accordingly agrees that time is of the essence of this Section.

**F. General Matters.** In lieu of providing one Statement covering Real Property Taxes and Insurance, Landlord may provide separate statements at the same or different times. No delay by Landlord in providing the Statement (or separate statements) shall be deemed a default by Landlord or a waiver of Landlord's right to require payment of Tenant's obligations or actual for estimated Real Property Taxes or Insurance.

**11.4 Insurance.** "Insurance" shall mean all expenses, costs and amounts of every kind and nature, that are actual, out-of-pocket, reasonable and necessary to the Building, which Landlord shall pay during any calendar year or any portion of which occurs during the Term, for all insurance applicable to the Building pursuant to Section 7.4 herein.

**11.5 Landlord's Records.** Landlord shall keep reasonable records showing all expenditures incurred as Insurance and Real Property Taxes for each year for a period of three (3) years following each year, and such records shall be made available for inspection by Tenant and/or its agents during such three (3) year period subject to the provisions of Section 11.3.E. herein.

**12. ASSIGNMENT AND SUBLETTING.** Tenant shall not transfer, assign, convey, sublet, enter into a license or concession agreement or hypothecate or mortgage this Lease or any of Tenant's interest in and to the Premises or any part thereof, permit any transfer of Tenant's interest created hereby or allow any lien upon Tenant's interest by operation of law or permit the use or occupancy of the Premises or any part thereof by anyone other than Tenant, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, except: (1) Landlord may withhold its consent if in Landlord's judgment, occupancy by any proposed assignee, subtenant, or other transferee (i) is not consistent with the maintenance and operation of the Building due to the proposed occupant's manner of conducting business or its experience or reputation in the community, (ii) the intended use or business is not desirable, or (iii) is likely to cause disturbance to the normal use and occupancy of the Building; (2) Landlord may withhold in its absolute and sole discretion consent to any mortgage, hypothecation, pledge, or other encumbrance of any interest in this Lease or the Premises by Tenant or any subtenant, (3) Landlord may withhold its consent to the extent it deems necessary to comply with any restriction on use of the Premises, the Building, or the Land contained in any lease, mortgage, or other agreement or instrument by which the Landlord is bound or to which any of such property is subject. Any attempt to transfer, assign, convey, sublet, license or enter into a concession agreement or to otherwise hypothecate or mortgage or to transfer by operation of law or occupy the Premises by a party other than Tenant without Landlord's consent shall be void and confer no rights on any third party and shall constitute a default under this Lease. The consent by Landlord to any transfer, assignment, conveyance, subletting, license or concession agreement or hypothecation or transfer by operation of law or occupation by a party other than Tenant shall neither constitute a waiver of the necessity of such consent to any subsequent transfer, assignment, conveyance, subletting, license, concession agreement or hypothecation or transfer by operation of law or occupation by a party other than Tenant nor in any manner relieve Tenant of any of its obligations under this Lease. Each transfer, assignment, subletting, license, concession agreement, hypothecation, transfer by operation of law or occupation by a party other than Tenant to which there has been consent shall be by an instrument in writing, in form satisfactory to Landlord, and shall be executed by the transferor, assignor, sub landlord, licensor, concessionaire, hypothecator or mortgagor and the transferee, assignee, subtenant, licensee, concessionaire or mortgagee shall agree in writing for the benefit of Landlord to assume, to be bound by, and to perform the terms, covenants and conditions of this Lease to be done, kept and performed by Tenant. One executed copy of such written instrument in form satisfactory to Landlord shall be delivered to Landlord forthwith.

If a Tenant is a corporation or partnership, any transfer of this Lease by merger, consolidation or liquidation, or any change in the ownership of or power to vote a majority of its outstanding voting stock or partnership interests, shall constitute an assignment for the purpose of this Section. If Tenant is a partnership or individuals conversion of Tenant to a limited liability company or a corporation shall constitute an assignment for purposes of this Section.

All requests for Landlord's consent shall be written notice and, in the event Tenant requests Landlord's consent to any transaction covered under the previous paragraph and Landlord consents to such transaction, Tenant shall immediately reimburse Landlord for reasonable and competitive expenses, including attorneys' fees, incurred by Landlord in conjunction therewith in any manner whatsoever, which shall not be in an amount more than two thousand and No/100 Dollars (\$2,000.00) ("Assignment Fee").

### 13. DEFAULTS; REMEDIES.

**13.1 Default.** The occurrence of any one or more of the following events shall constitute a "Default" by Tenant and shall give rise to Landlord's remedies set forth in Paragraph 13.2, below: (i) failure to make when due any payment of Rent, unless such failure is cured within five (5) days after written notice; (ii) failure to observe or perform any term or condition of this Lease other than the payment of Rent, unless such failure is cured within any period of time following notice expressly provided in other Sections hereof, or otherwise within a reasonable time, but in no event more than thirty (30) days following notice, and (iii) (a) making by Tenant of any general assignment for the benefit of creditors, (b) filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any Law relating to bankruptcy or insolvency (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days), (c) appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located in the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days, (d) attachment, execution or other judicial seizure of substantially all of Tenant's assets located on the Premises or of Tenant's interest in this Lease, (e) Tenant's convening of a meeting of its creditors or any class thereof for the purpose of effecting a moratorium upon or composition of its debt, (f) Tenant's insolvency or admission of an inability to pay its debts as they mature. The notice and cure periods provided herein are in lieu of, and not in addition to, any notice and cure periods provided by Law.

**13.2 Remedies.** If a Default occurs, Landlord shall have the rights and remedies hereinafter set forth to the extent permitted by Law, which shall be distinct, separate and cumulative with and in addition to any other right or remedy allowed under any Law or other provisions of this Lease:

(1) Landlord may terminate Tenant's right of possession, reenter and repossess the Premises by detainer suit, summary proceedings or other lawful means, with or without terminating this Lease (and if applicable Law permits, and Landlord shall not have expressly terminated this Lease in writing, any such action shall be deemed a termination of Tenant's right to possession only). In such event, Landlord may recover from Tenant: (i) any unpaid Rent as of the termination date, (ii) the amount by which: (a) any unpaid Rent which would have accrued after the termination date during the balance of the Term exceeds (b) the reasonable rental value of the Premises under a lease substantially similar to this Lease for the balance of the Term, taking into account among other things, the condition of the Premises, market conditions and the period of time the Premises may reasonably remain vacant before Landlord is able to re-lease the same to a suitable replacement tenant, and Costs of Reletting (as defined in Section 13.7 below) that Landlord may incur in order to enter such replacement lease, and (iii) any other amounts necessary to compensate Landlord for all damages proximately caused by Tenant's failure to perform its obligations under this Lease. For purposes of computing the amount of Rent herein that would have accrued after the termination date, Tenant's obligations for Real Property Taxes and Insurance, shall be projected, based upon the average rate of increase, if any, in such items from the Commencement Date through the termination date. The amounts computed in accordance with the foregoing subclauses (a) and (b) shall both be discounted, in accordance with accepted financial practice at the rate of one-year U.S. Treasury Bills at the date of occurrence, to the then present value, or

(2) Landlord may terminate Tenant's right of possession, reenter and repossess the Premises by detainer suit, summary proceedings or other lawful means, with or without terminating this



Lease (and if applicable Law permits, and Landlord shall not have expressly terminated this Lease in writing, any such action shall be deemed a termination of Tenant's right of possession only). In such event, Landlord may recover from Tenant: (i) any unpaid Rent as of the date possession is terminated, (ii) any unpaid Rent which accrues during the Term from the date possession is terminated through the time of judgment (of which may have accrued from the time of any earlier judgment obtained by Landlord), less any consideration received from replacement tenants as further described and applied pursuant to Paragraph 1 above, and (iii) any other amounts necessary to compensate Landlord for all damages proximately cause by Tenant's failure to perform its obligations under this lease, including without limitation, all Costs of Reletting (as defined in Section 13.7). Tenant shall pay any such amounts to Landlord after the same have accrued from time to time upon demand. At any time after terminating Tenant's right to possession as provided herein, Landlord may terminate this Lease as provided in clause (1) above by written notice to Tenant, and Landlord may pursue such other remedies as may be available to Landlord under this Lease or applicable Law.

**13.3 Mitigation Damages.** If Landlord terminates this Lease or Tenant's right to possession, or is required by applicable law, Landlord shall mitigate damages under this Lease as follows, to the extent permitted by law: (a) Landlord shall be required only to use reasonable efforts to mitigate, which shall not exceed such efforts as Landlord generally uses to lease other space at the Building, and (b) Landlord will not be deemed to have failed to mitigate if Landlord leases any other portions of the Building before reletting all or any portion of the Premises, and (c) any failure to mitigate as described herein with respect to any period of time shall only reduce the Rent and other amounts to which Landlord is entitled hereunder by the reasonable rental value of the Premises during such period. In recognition that the value of the Building depends on the rental rates and terms of leases therein, Landlord's rejection of a prospective replacement tenant based on an offer of rentals below Landlord's rates for new leases of comparable space in the Building or market at the time in question, or at Landlord's option, below the rates provided in this Lease, or containing terms less favorable than those contained herein, shall not give rise to a claim by Tenant that Landlord failed to mitigate Landlord's damages.

**13.4 Reletting.** If this Lease or Tenant's right to possession is terminated, Landlord may: (i) enter and secure the Premises, change the locks, install barricades, remove any improvements, fixtures or other property of Tenant therein, perform any decorating, remodeling, repairs, alterations, improvements or additions and take such other actions as Landlord shall determine in Landlord's sole discretion to prevent damage or deterioration to the Premises or prepare the same for reletting, and (ii) relet all or any portion of the Premises (separately or as a part of a larger space), for any rent, use or period of time (which may extend beyond the Term hereof), and upon any other terms as Landlord shall determine in Landlord's sole discretion, directly or as Tenant's agent (if permitted or required by applicable Law). The consideration received from such reletting shall be applied pursuant to the terms hereof, and if such consideration, as so applied, is not sufficient to cover all Rent and damages to which Landlord may be entitled hereunder, Tenant shall pay any deficiency to Landlord after the same has accrued from time to time upon demand, subject to the other provisions hereof.

**13.5 Specific Performance, Collection of Rent and Acceleration.** Landlord shall at all times have the right without prior demand or notice except as required by applicable Law to: (i) seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease or restrain or enjoin a violation of any provision hereof, and (ii) sue for and collect any unpaid Rent which has accrued. Notwithstanding anything to the contrary contained in this Lease, to the extent not expressly prohibited by applicable Law, in the event of any Default by Tenant, Landlord may terminate this Lease of Tenant's right to possession and accelerate and declare that all Rent reserved for the remainder of the Term shall be immediately due and payable (in which event, Tenant's obligations for Real Property Taxes and Insurance herein that would have accrued thereafter shall be projected in the manner described in Section 13.2 (1), above); provided the Rent so accelerated shall be discounted, in accordance with accepted financial practice at the rate of one-year U.S. Treasury Bills at the date of occurrence, to the then present value, and Landlord shall, after receiving payment of the same from Tenant, be obligated to turn over to

Tenant any actual net reletting proceeds (net of all Costs of Reletting), thereafter received during the remainder of the Term, up to the amount so received from Tenant pursuant to this provision.

**13.6 Landlord's Cure of Tenant Default.** If Tenant fails to perform any obligation under this Lease during the grace periods provided herein (except that no notice shall be required in emergencies), Landlord shall have the right (but not the duty), to perform such obligation on behalf and for the account of Tenant. In such event, Tenant shall reimburse Landlord upon demand, as additional Rent, for all expenses incurred by Landlord in performing such obligation together with an amount equal to fifteen percent (15%) thereof for Landlord's overhead, and interest thereon at the Default Rate from the date such expenses were incurred. Landlord's performance of Tenant's obligations hereunder shall not be deemed a waiver or release of Tenant therefrom.

**13.7 Other Matters.** No re-entry or repossession, repairs, changes, alterations and additions, reletting, acceptance of keys from Tenant, or any other action or omission by Landlord shall be construed as an election by Landlord to terminate this Lease or Tenant's right to possession, or accept a surrender of the Premises, nor shall the same operate to release the Tenant in whole or in part from any of the Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord or its agent to Tenant. Notwithstanding the foregoing, Landlord shall not charge Tenant any amounts under this Lease that are collected from a subsequent Tenant. Landlord may bring suits for amounts owed by Tenant hereunder or any portions thereof, after the same have accrued, and no suit or recovery of any portion due hereunder shall be deemed a waiver of Landlord's right to collect all amounts to which Landlord is entitled hereunder, nor shall the same serve as any defense to any subsequent suit brought for any amount not theretofore reduced to judgment. Landlord may pursue one or more remedies against Tenant and need not make an election of remedies until findings of fact are made by a court of competent jurisdiction. All rent and other consideration paid by any replacement tenants shall be applied, at Landlord's option: first, to the Costs of Reletting, second, to the payment of all costs of enforcing this Lease against Tenant, third, to the payment of all interest and service charges accruing hereunder, fourth, to the payment of other obligations of Tenant to Landlord as the same become due (with any remaining residue to be retained by Landlord). "Costs of Reletting" shall include without limitation, all reasonable costs and expenses (whether to prevent damage or to prepare the Premises for reletting), brokerage commissions, advertising costs, attorneys' fees, any economic incentives given to enter leases with replacement tenants, and costs of collecting rent from replacement tenants. Landlord shall be under no obligation to observe or perform any provision of this Lease on its part to be observed or performed which accrues after the date of any Default by Tenant. The times set forth herein for the curing of violations by Tenant are of the essence of this Lease. Tenant hereby irrevocably waives any right otherwise available under any Law to redeem or reinstate this Lease or Tenant's right to possession after this Lease or Tenant's right to possession is terminated based on a Default by Tenant.

**13.8 Default by Landlord.** Landlord's failure to do, observe, keep and perform any of the terms, covenants, conditions, agreements or provisions of this Lease required to be done, observed, kept or performed by Landlord, for a period greater than thirty (30) days after written notice by Tenant to Landlord of said failure (except when the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be deemed in default if it commences performance within the thirty (30) day period and thereafter diligently pursues the cure to completion), shall be deemed a default by Landlord and a breach of the Lease; then, Tenant may, at its option, seek its rights and remedies provided at law or in equity. Tenant shall have no right of self-help to perform repairs or any other obligation of Landlord, and shall have no right to withhold, set-off or abate rent, except as provided in Section 6.1. Notwithstanding the foregoing, Tenant may hire a licensed contractor to perform work for the Tenant in an emergency, provided: (i) Tenant provides reasonable notice to Landlord, (ii) Landlord fails to perform and (iii) the bill is submitted to Landlord for payment as a separate item not deducted from Rent.

14. **CONDEMNATION.** If the Premises or any portion thereof are taken under the power of eminent domain, or sold by Landlord under the threat of the exercise of said power (all of which is herein referred to as "condemnation"), this Lease shall terminate as to the part so taken as of the earliest of the following occur: (a) twenty (20) days after Tenant gives notice to Landlord of its election to vacate following the date the condemnor gives a notice of intention to take or the condemning authority takes title to the Premise or the portion thereof or (b) the date the condemning authority takes possession of the Premises or the portion thereof. Upon receipt by either party of the condemnor's notice of intention to take, each shall immediately give written notice of such receipt to the other party. If more than twenty-five percent (25%) of the Premises, or more than twenty-five percent (25%) of the land area of the parcel of land upon which the Premises are a part, is taken by condemnation, or the effect of condemnation is to render the Premises untenable for Tenant's to conduct its business, either Landlord or Tenant may terminate this Lease at any time following the date the condemnor gives notice in writing of its intention to take within twenty (20) days after Landlord shall have notified Tenant of the taking or, in the absence of such notice, then within twenty (20) days after the condemning authority shall have taken possession.

If this Lease is not terminated by either Landlord or Tenant then it shall remain in full force and effect as to the portion of the Premises remaining, provided the Rent shall be reduced in the same proportion that the area taken bears to the total area of the Premises prior to taking. In the event this Lease is not so terminated then Landlord agrees, at Landlord's sole cost, as soon as reasonably possible restore the Premises to a complete unit of like quality, character and utility for Tenant's purposes as existed prior to the condemnation. The entire compensation awarded in or by reason of said eminent domain proceedings or conveyance in lieu thereof shall belong to Landlord whether damages are awarded as compensation for diminution in the value of the leasehold or of Landlord's interest in the Premises, without any deduction therefrom for any present or future estate or interest of Tenant, and Tenant hereby assigns to Landlord all of Tenant's right, title and interest in and to any and all such compensation together with any and all rights, estate and interest of Tenant now existing or hereafter arising in and to the same or any part thereof. Current Rent and other charges shall be apportioned as of the date of such taking.

15. **SIGNAGE.** Tenant, at its sole cost and expense, shall have the right to install or place professionally prepared, designed and installed signs, awnings, or other advertising materials in or about the Premises or on the Building and directories subject to Tenant obtaining Landlord's prior consent. Said signs and awnings shall be in compliance with all applicable laws, regulations and rules and approved by municipal and other governmental agencies prior to the installation of such signage. At expiration or early termination of the Lease, Landlord, at its sole discretion, shall have the right for each and every sign and awning to require either (i) Tenant to remove such sign, awning, or portion thereof at Tenant's sole cost and expense or (ii) such sign remains with the Premises and shall be the property of Landlord; except that Tenant shall remove the portion of the signs that contains its proprietary name.

#### 16. **GENERAL PROVISIONS.**

**16.1 Estoppel Certificate.** Tenant shall at any time upon not less than thirty (30) days' prior written notice from Landlord execute, acknowledge and deliver to Landlord a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent, and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults, if any, which are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises. However, such certificates shall be for the purpose of facilitating the Landlord's financing, refinancing or sale activities only, and shall not affect or prejudice any rights or remedies of Tenant against Landlord.

**16.2 Landlord's Interests.** The term "Landlord" as used herein shall mean only the owner or owners at the time in question of the fee title or a tenant's interest in a ground lease of the Premises. In the event of any transfer of such title or interest, Landlord herein named (and in case of any subsequent transfers, the grantor) shall be relieved from and after the date of such transfer of all liability with respect to Landlord's obligations thereafter to be performed, provided that any funds in the hands of Landlord or the grantor at the time of such transfer, in which Tenant has an interest, shall be delivered to the grantee. Nothing herein shall be deemed to relieve Landlord of any liability for its acts, omissions or obligations occurring or accruing up to and including the date of such transfer. The obligations contained in this Lease to be performed by Landlord shall, subject as aforesaid, be binding on Landlord's successors and assignees, only during their respective periods of ownership.

**16.3 Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

**16.4 Time of Essence.** Time is of the essence to the parties executing this Lease.

**16.5 Captions.** Article and section captions are not a part hereof.

**16.6 Incorporation of Prior Agreements; Amendments.** This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification.

**16.7 Waivers.** No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant or Landlord of the same or any other provision. Landlord's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant.

**16.8 Recording.** Landlord or Tenant may record a short form or memorandum of lease at its own expense.

**16.9 Holding Over.** Tenant shall pay Landlord 200% of the amount of Rent then applicable prorated on a per diem basis for each day Tenant shall retain possession of the Premises or any part thereof after expiration or earlier termination of this Lease, together with all damages sustained by Landlord on account thereof. If Tenant pays holdover rent as set forth herein, this Lease shall become a month-to-month lease which may be terminated by either party upon twenty (20) day written notice. The foregoing provisions shall not serve as permission for Tenant to holdover, nor serve to extend the Term (although Tenant shall remain a tenant at sufferance, bound to comply with all provisions of this Lease until Tenant vacates the Premises). Landlord shall have the right, at any time after expiration or earlier termination of this Lease or Tenant's right to possession, to reenter and possess the Premises and remove all property and persons therefrom, and Landlord shall have such other remedies for holdover as may be available to Landlord under other provisions of this Lease or applicable Laws.

**16.10 Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive, but shall, whenever possible, be cumulative with all other remedies at law or in equity.

**16.11 Binding Effect; Choice of Law.** This Lease shall bind the parties, their personal representatives, successors and assigns. This Lease shall be governed by the laws of the state where the Premises are located.

**16.12 Subordination, Nondisturbance and Attornment.** Subject to the provisions of Section 16.13 hereof, this Lease and the rights of Tenant hereunder shall be subordinate at all times to the lien of any first mortgage, or any ground lease of similar instrument now or hereafter placed upon the

Premises or all or any part of the Building, and to all advances made or hereafter to be made upon the security thereof, and to all renewals, modifications, amendments, consolidations, replacements and extensions thereof, provided that Tenant's rights shall not be abridged, nor its obligation be enlarged, notwithstanding any default in any such first mortgage, first mortgages, or any ground lease, or after foreclosure or termination thereof, so long as Tenant is not in default under any of the covenants, conditions and agreements in this Lease. As used in this Article, the term "mortgage" shall also include a deed of trust and the term "ground lease" shall also include a master lease. In the event of cancellation or earlier termination of any ground lease or in the event of a foreclosure of any first mortgage, Tenant will attorn, as Tenant under this Lease, to such purchaser or ground Landlord and Tenant will promptly execute such instruments as may be necessary or appropriate to evidence such attornments. Tenant covenants and agrees to execute and deliver, upon demand, such further instruments subordinating or attorning this Lease to the lien of any such first mortgage, first mortgages, or ground lease as shall be reasonably required by Landlord or any first mortgage or proposed first mortgagee or Landlord under any ground lease upon condition that Tenant shall have the right to remain in possession of the Premises under the terms of this Lease and Tenant's rights shall not be abridged, nor its obligation be enlarged, notwithstanding any default in any such first mortgage, first mortgages, or any ground lease, or after foreclosure or termination thereof, so long as Tenant is not in default under any of the covenants, conditions and agreements in this Lease.

**16.13 Landlord's Access.** Landlord and Landlord's agents shall have the right to enter the Premises upon twenty-four (24) hours written notice, except in emergency, for the purpose of inspecting the same, showing the same to prospective purchasers, insurers, contractors or lenders, and making such alterations, repairs, improvements or additions to the Premises or to the Building of which they are a part as Landlord may deem necessary or desirable. Landlord may place on or about the Premises any "For Rent or Lease" signs or notices and have free access to the Premises for the purpose of inspecting and exhibiting the Premises to prospective tenants, brokers or contractors under the following conditions: (i) at any time during the last one hundred and eighty (180) days of the Term hereof, (ii) at any time Tenant ceases to conduct business in the Premises for longer than 30 consecutive days, or (iii) at any time Tenant has executed a lease at another location to close and move its operations in the Premises to a new location ( and under this section (iii), Landlord shall be able to take full control and possession of the Premises without altering Tenant's obligation to pay all Rent through the end of the Term, upon Tenant ceasing operations in the Premises). Notwithstanding anything contained herein to the contrary, Landlord, its agents, employees or contractors' entry onto the Premises, or any repair or work performed thereon as provided under this Section shall use its reasonable best efforts not to materially or unreasonably affect or interrupt Tenant's use, business or operations on the Premises or materially obstruct the visibility or ingress and egress of the Premises. In the event of such substantial and material interference, Landlord shall first obtain the written consent of Tenant (except in emergencies) which consent shall not be unreasonably withheld, and the rent shall be abated accordingly.

**16.14 Only Landlord/Tenant Relationship.** Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

**16.15 Attorneys' Fees.** If Landlord brings an action to enforce the terms hereof or declare rights hereunder, Landlord shall be entitled to its reasonable attorneys' fees and costs as fixed by the court to be paid by Tenant.

**17. QUIET ENJOYMENT.** Landlord covenants and agrees that, so long as this Lease is in full force and effect, and Tenant is not in default Tenant shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Lease without disturbance by Landlord or by any person

having title paramount to Landlord's title or by any person claiming through or under Landlord, subject to the terms and conditions of this Lease.

**18. NOTICES.** Whenever a provision is made under this Lease for any demand, notice or declaration of any kind, or where it is deemed desirable or necessary by either party to give or serve any such notice, demand or declaration to the other party, it shall be in writing and served either personally or sent by United States mail, certified, postage prepaid, or sent by overnight courier addressed at the addresses set forth below or at such address as either party may advise the other from time to time, or by e-mail or facsimile.

To Landlord at:           Arcada BLDG LLC  
                                  c/o Scott Price  
                                  5464 174<sup>th</sup> Pl. SE  
                                  Bellevue, WA 98006  
                                  spricere@comcast.net

To Tenant at:             Gordy's Quick Mart of St. Charles LLC  
                                  c/o Gordon Simic  
                                  101 E. Main Street  
                                  St. Charles, Illinois  
                                  gordonsimic1@gmail.com

Notices given hereunder shall be deemed to have been given on the date of personal delivery, when transmitted by facsimile or email transmission provided the sender obtains an electronic confirmation of delivery, the next business day after deposit with overnight courier, or two (2) business days after the date of mailing.

**19. HAZARDOUS MATERIALS.**

A. Tenant shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any "Hazardous Material" (as defined below) upon or about the Building, or permit Tenant's employees, agents, contractors, invitees and other occupants of the Premises to engage in such activities upon or about the Building. However, the foregoing provisions shall not prohibit the transportation to and from, and use, storage, maintenance and handling within, the Premises of substances other than Hazardous Materials that are customarily used in the business or activity expressly permitted to be undertaken in the Premises, provided: (a) such substances shall be used and maintained only in such quantities as are reasonably permitted use of the Premises and the ordinary course of Tenant's business therein, strictly in accordance with applicable Law, highest prevailing standards, and the manufacturers' instructions therefor, (b) such substances shall not be disposed of, released or discharged in the Building, and shall be transported to and from the Premises in compliance with all applicable Laws, and as Landlord shall reasonably require, (c) if any applicable Law or Landlord's trash removal contractor requires that any such substances be disposed of separately from ordinary trash, Tenant shall make arrangements at Tenant's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site (subject to scheduling and approval by Landlord), (d) any remaining such substances shall be completely and properly removed and disposed of any such substances, Tenant shall be named as the owner and generator, obtain a waste generator identification number, and execute all permit applications, manifests, waste characterization documents and any other required forms.

B. Tenant shall promptly notify Landlord to the extent that Tenant has actual knowledge of: (i) any enforcement, cleanup or other regulatory action taken or threatened any governmental or regulatory authority with respect to the presence of any Hazardous Material on the Premises or the migration thereof from or to other property, (ii) any demands or claims made or threatened by any party relating to any loss or injury resulting from any Hazardous Material on the

Premises, (iii) any release, discharge or nonroutine, improper or unlawful disposal or transportation of any Hazardous Material on or from the Premises or in violation of this Article, and (iv) any matters where Tenant is required by Law to give a notice to any governmental or regulatory authority respecting any Hazardous Material on the Premises. Landlord shall have the right (but not the obligation) to join and participate, as a party, in any legal proceedings or actions affecting the Premises initiated in connection with any environmental, health or safety Law. At such times as Landlord may reasonably request, Tenant shall provide Landlord with a written list, certified to be true and complete, identifying any Hazardous Material then used, stored, or maintained upon the Premises, the use and approximate quantity of each such material, a copy of any material safety data sheet ("MSDS") issued by the manufacturer therefor, and such other information as Landlord may reasonably require or as may be required by Law. The term "Hazardous Material" for purposes hereof shall mean any chemical, substance, material or waste or component thereof which is now or hereafter listed, defined or regulated as a hazardous or toxic chemical, substance, material or waste or component thereof by any federal, state or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by any such body, or for which any such body has adopted any requirements for the preparation or distribution of an MSDS.

C. If any Hazardous Material is released, discharged or disposed of by Tenant or any other occupant of the Premises, or their employees, agents or contractors, on or about the Building in violation of the foregoing provisions, Tenant shall immediately, properly and in compliance with applicable Laws clean up and remove the Hazardous Material from the Building and any other affected property and clean or replace any affected personal property (whether or not owned by Landlord), at Tenant's expense (without limiting Landlord's other remedies therefor). Such clean up and removal work shall be subject to Landlord's prior written approval (except in emergencies), and shall include, without limitation, any testing, investigation, and the preparation and implementation of any remedial action plan required by any court or governmental body having jurisdiction or reasonably required by Landlord. If Landlord or any Lender or governmental body arranges for any tests or studies showing that this Article has been violated, Tenant shall pay for the costs of such test. If any Hazardous Material is released, discharged or disposed of on or about the Premises and such release, discharge or disposal is not caused by Tenant or other occupants of the Premises, or their employees, agents or contractors, such release, discharge or disposal shall be deemed casualty damage under this Lease to the extent that the Premises is affected thereby; in such case Landlord and Tenant shall have the obligations and rights respecting such casualty damage provided under such Lease.

**20. SECURITY.** Landlord does not assume responsibility to provide any security measures or any liability for failure to provide same.

**21. LANDLORD'S LIABILITY.** No personal liability is assumed by, nor shall at any time be asserted or enforceable against Landlord, its beneficiaries, any successor owner or their respective successors or assigns or the trustees, beneficiaries, officers, directors, shareholders or partners thereof, or the agents or employees of any of them on account of this Lease or any covenant, undertaking or agreement of Landlord in this Lease contained. It is expressly understood that the liability of the Landlord or any successor owner is intended to refer only to that portion of the Building and to no other property or asset of Landlord, any successor owner or the trustees, beneficiaries, officers, directors, shareholders or partners thereof, or the agents or employees of any of them.

**22. FORCE MAJEURE.** In the event the performance of any work to be performed hereunder by either party is delayed for reasons beyond the control of the party responsible for such performance, including but not limited to acts of God, war, acts of civil disobedience or strike, the time for performance shall be entered for a period of time equivalent to the period of such delay or delays; provided, however, that the time for performance shall in no event be extended due to financial or economic problems of either party, their architects, contractors, agents or employees, or delays caused the inability of architects, contractors, suppliers or other employees and agents to meet deadline, delivery or

contract dates (unless such inability is caused by acts of God, war, acts of civil disobedience or strike). It shall be a condition of Tenant's and Landlord's right to claim an extension of time as a result hereof that the affected party notify the other party in writing within ten (10) days after the occurrence of such cause, specifying the nature thereof and the period of time contemplated or necessary for performance.

**23. BROKERAGE FEE.** Tenant warrants and represents to Landlord that it has not dealt with any realtor, broker or agent in connection with the negotiation and execution of this Lease other than Murray Commercial, and Tenant agrees to pay and to hold Landlord harmless from any cost, expense or liability (including cost of suit and reasonable attorneys' fees) for any compensation, commissions or charges claimed by any realtor, broker or agent other than Murray Commercial with respect to this Lease and the negotiation thereof.

**24. CHANGES TO THE BUILDING.** Landlord reserves the right to: (i) install, maintain, alter and remove signs on or about the exterior and interior of the Building, (ii) add land, easements or other interests to or eliminate the same from the Building and grant easements and other interest and rights in the Building to other parties, (iii) add, alter, expand, reduce, eliminate, relocate or change the shape, size, location, character, design, appearance, use, number or height of any structures, improvements, planters, (iv) add structural support columns that may be required within the Premises or Building, (v) relocate any HVAC equipment serving the Premises installed on the roof or other area outside the Premises (vi) in connection with the foregoing matters, or with any other inspections, repairs, maintenance, improvements or alterations in or about the Building, or as a result of any casualty, incident, strike, condemnation, act of God, Law or governmental requirement or request, or any other cause, erect scaffolding, barricades, and other structures reasonably required in, or otherwise close, including but not limited to, public entry ways and areas. However, in connection with exercising such rights, Landlord shall: (a) take reasonable steps to minimize or avoid any denial of access or visibility to the Premises except when necessary on a temporary basis which shall in no event be longer than ten (10) days, (b) take reasonable steps to avoid changing the configuration or reducing the square footage of the Premises (in no event shall the reduction in square footage of Tenant's Premises shall be more than 5% of the Premises), unless required by Laws or other causes beyond the Landlord's reasonable control (and in the event of any permanent material reduction, the Base Rent shall be proportionately reduced).

**25. STORAGE SPACE.** Landlord shall provide reasonable storage space for Tenant's use in the basement of the Building, at Landlord's reasonable discretion.

**26. AUTHORITY.** Tenant represents that it has full and complete authority to enter into this Lease under all the terms, covenants provisions set forth herein and Tenant shall provide documentation to Landlord demonstrating such authority and that Tenant is in good standing with its state of incorporation. Tenant also represents that the individual or individuals signing on behalf of Tenant have full and complete authority to execute this Lease on behalf of Tenant.

**27. SECURITY DEPOSIT.** Tenant shall deposit with Landlord the amount of \$12,000 ("Security Deposit") upon Tenant's execution and submission of the Lease. The Security Deposit shall serve as security for the prompt, full and faithful performance by Tenant of the terms and provisions of this Lease. In the event that Tenant is in default hereunder and fails to cure within any applicable time period permitted under this Lease, or in the event that Tenant owes any amounts to Landlord upon the expiration of this Lease, Landlord may use or apply the whole or any part of the Security Deposit for the payment of Tenant's obligations hereunder. The use or application of the Security Deposit or any portion thereof shall not prevent Landlord from exercising any other right or remedy provided hereunder or under any law and shall not be construed as liquidated damages. In the event the Security Deposit is reduced by such use or application, Tenant shall deposit with Landlord within ten (10) days after written notice, an amount sufficient to restore the full amount of the Security Deposit. Landlord shall not be required to keep the Security Deposit separate from Landlord general funds or pay interest on the Security Deposit. Any remaining portion of the Security Deposit shall be returned to the Tenant within sixty (60) days after



Tenant has vacated the Premises. It is specifically understood by Tenant that Tenant may not have the Security Deposit apply to Tenant's last month(s) rental obligation and must pay such rent by the first day of such month(s).

28. **NON-SMOKING.** The Landlord has designated the entire building as "non-smoking". Tenant agrees to inform and use reasonable efforts to prevent employees and visitors from smoking anywhere within the building, including private offices or restrooms.

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

LANDLORD:

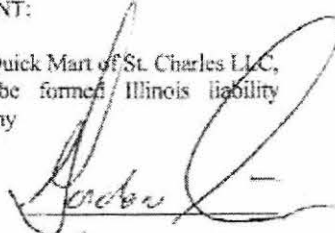
Arcada BLDG LLC,  
an Illinois limited liability company

By: 

Scott R. Price  
Manager

TENANT:

Gordy's Quick Mart of St. Charles LLC,  
a to be formed Illinois liability  
company

By: 

Name: GORDON SIMIC  
Title: PRES/MEMBER

## EXHIBIT A

### Legal Description of Building

Certain tracts of land situated in the County of Kane, State of Illinois and more particularly described as follows:

#### PARCEL ONE:

THE WESTERLY 9 FEET OF THE SOUTHERLY 12 FEET OF THE PROPERTY DESCRIBED AS FOLLOWS: THAT PART OF LOTS 3 AND 4 IN BLOCK 2 OF THE ORIGINAL TOWN OF ST. CHARLES, ON THE EAST SIDE OF THE FOX RIVER, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 4; THENCE NORTHERLY ALONG THE EASTERLY LINE OF SAID LOT, 29.05 FEET; THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 3, A DISTANCE OF 0.32 FOOT TO THE CENTER LINE OF A 1 FOOT WIDE PARTY WALL; THENCE NORTHERLY ALONG SAID CENTER LINE 37.25 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 3 WHICH IS 34 FEET SOUTHERLY OF, AS MEASURED ALONG SAID WESTERLY LINE, THE NORTHWEST CORNER OF SAID LOT; THENCE NORTHERLY ALONG THE CENTER LINE OF SAID 1 FOOT WIDE PARTY WALL TO A POINT ON THE NORTHERLY LINE OF SAID LOT 4 WHICH IS 0.28 FOOT WESTERLY OF THE NORTHEAST CORNER THEREOF; THENCE EASTERLY ALONG SAID NORTHERLY LINE 50.57 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LOT 3, A DISTANCE OF 100.30 FEET TO THE SOUTHEAST CORNER OF SAID LOT; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID LOT, 50.295 FEET TO THE POINT OF BEGINNING; IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS

#### PARCEL TWO:

EASEMENT FOR BENEFIT OF PARCEL ONE FOR MAINTENANCE AND REPAIR AND INGRESS AND EGRESS CREATED BY DEED RECORDED APRIL 17 2001 AS DOCUMENT 2901K034378 ON AND OVER THE FOLLOWING:

THE SOUTHERLY 12 FEET OF THE FOLLOWING PROPERTY THAT PART OF LOTS 3 AND 4 IN BLOCK 2 OF THE ORIGINAL TOWN OF ST. CHARLES, ON THE EAST SIDE OF THE FOX RIVER, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 4; THENCE NORTHERLY ALONG THE EASTERLY LINE OF SAID LOT, 29.05 FEET; THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 3, A DISTANCE OF 0.32 FOOT TO THE CENTER LINE OF A 1 FOOT WIDE PARTY WALL; THENCE NORTHERLY ALONG SAID CENTER LINE 37.25 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 3 WHICH IS 34 FEET SOUTHERLY OF, AS MEASURED ALONG SAID WESTERLY LINE, THE NORTHWEST CORNER OF SAID LOT; THENCE NORTHERLY ALONG THE CENTER LINE OF SAID 1 FOOT WIDE PARTY WALL TO A POINT ON THE NORTHERLY LINE OF SAID LOT 4 WHICH IS 0.28 FOOT WESTERLY OF THE NORTHEAST CORNER THEREOF; THENCE EASTERLY ALONG SAID NORTHERLY LINE 50.57 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LOT 3, A DISTANCE OF 100.30 FEET TO THE SOUTHEAST CORNER OF SAID LOT; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID LOT, 50.295 FEET TO THE POINT OF BEGINNING; (EXCEPT PART LYING IN PARCEL ONE DESCRIBED ABOVE) IN THE CITY ST. CHARLES, KANE COUNTY, ILLINOIS.

#### PARCEL THREE:

ALL OF LOTS 5 AND 6 IN BLOCK 2 OF THE ORIGINAL TOWN OF ST. CHARLES, ON THE EAST SIDE OF THE FOX RIVER, AND THAT PART OF LOTS 3 AND 4 IN SAID BLOCK 2, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 4; THENCE NORTHERLY ALONG THE EASTERLY LINE OF SAID LOT, 29.05 FEET; THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 3, A DISTANCE OF 0.32 FEET TO THE CENTER LINE OF A ONE FOOT WIDE PARTY WALL; THENCE NORTHERLY ALONG SAID CENTER LINE 37.25 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 3 WHICH IS 34 FEET SOUTHERLY OF, AS MEASURED ALONG SAID WESTERLY LINE, THE NORTHWEST CORNER OF SAID LOT; THENCE NORTHERLY ALONG THE CENTER LINE OF SAID ONE FOOT WIDE PARTY WALL TO A POINT ON THE NORTHERLY LINE OF SAID LOT 4 WHICH IS 0.28 FEET WESTERLY OF THE NORTHEAST CORNER THEREOF; THENCE WESTERLY ALONG SAID NORTHERLY LINE 50.05 FEET TO THE NORTHWEST CORNER OF SAID LOT 4; THENCE SOUTHERLY ALONG THE WESTERLY LINE OF SAID LOT 4, A DISTANCE OF 100.30 FEET TO THE SOUTHWEST CORNER OF SAID LOT; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF SAID LOT, 50.295 FEET TO THE POINT OF BEGINNING; IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS

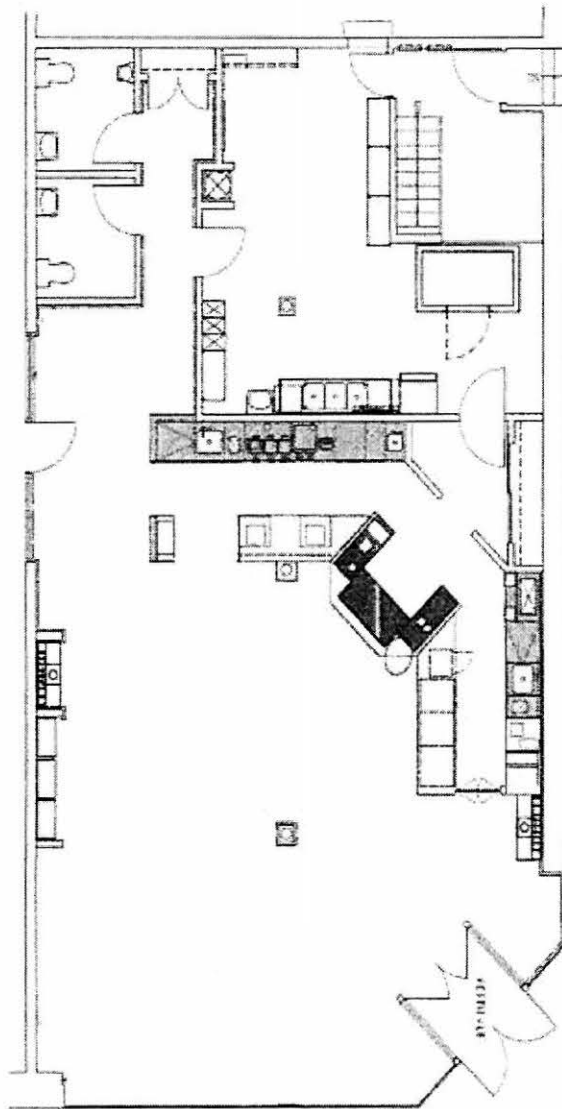
#### PARCEL FOUR:

EASEMENT FOR INGRESS AND EGRESS FOR BENEFIT OF PARCEL THREE CREATED BY AGREEMENT RECORDED MAY 2, 1924 AS DOCUMENT 236236 AND BY AGREEMENT RECORDED JUNE 20 1925 DOCUMENT 25611:15 MADE BY JOE MELSON TO LESTER J. NORRIS FOR THE BENEFIT OF PARCEL ONE OVER THE WEST 10 FEET OF THE SOUTH 94.5 FEET OF LOT 7 IN BLOCK 2 OF THE ORIGINAL TOWN OF ST. CHARLES, ON THE EAST SIDE OF THE FOX RIVER, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

EXHIBIT B

# CORNER RETAIL - ARCADIA THEATER BUILDING

101 E Main Street, Saint Charles, IL 60174





**AMENDMENT NO. 1 TO COMMERCIAL LEASE**

THIS AGREEMENT made and entered as of January 19, 2018, by and between Gordy's Quick Mart of St. Charles LLC ("Tenant"), and Arcada BLDG LLC., an Illinois Limited Liability Company ("Landlord").

A. Tenant and Landlord have heretofore entered into that certain Commercial Lease dated July 21, 2017 (the lease as amended herein shall be referred to as the "Lease"), for the premises at the address commonly known as 101 E. Main St., St. Charles, IL ("Premises"), as more fully described in the Lease.

B. The parties mutually desire to amend the Lease, all on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual terms and conditions herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Amendments.** All terms and conditions contained in the Lease shall continue to apply with full force and effect, except as amended as follows:

a. **Term.** The Term of the Lease is hereby amended to the period commencing on January 1, 2018 ("Commencement Date") and ending on February 28, 2023 (the Expiration Date"), unless sooner terminated as provided in the Lease.

b. **Base Rent.** Base Rent pursuant to section 3. of the Lease is hereby amended to the following (Tenant previously paid \$4,000 which is now applied toward January 2018 Base Rent with next Base Rent payment commencing February 1, 2018):

<u>Period</u>	<u>Monthly</u>
Jan 1, 2018 - Oct 31, 2018	\$4,000
Nov 1, 2018- Oct 31, 2019	4,400
Nov 1, 2019- Oct 31, 2020	4,600
Nov 1, 2020- Oct 31, 2021	4,800
Nov 1, 2021- Feb 28, 2023	5,200

c. **Use.** Section 5.1 Use of the Lease, is hereby amended to include, "the sale of alcoholic beverages".

d. **Liquor Liability Coverage.** Section 7.1 Liability Insurance of the Lease, is hereby amended by adding the following as an additional paragraph to section 7.1, as follows:

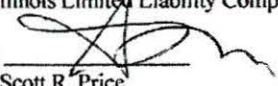
**Liquor Liability Coverage.** Tenant's obligation to provide liability insurance herein shall be deemed to include the obligation to provide liquor liability coverage. In the event any lesser limits of liability under the Illinois Liquor Control Act are set by Statutes, and validity of such lesser limits has been established by decision of the Supreme Court of Illinois, then the limits of liability of the dram shop insurance required to be maintained by Tenant may be reduced for each person and occurrence to the limits set by such statute and decision of the Supreme Court, provided that if such limits of liability shall be increased the insurance required hereunder shall be increased accordingly. The failure of the Tenant to obtain any to maintain at all times said insurance and indemnification in the above amount or amounts, issued in form and by a carrier or carriers satisfactory to Landlord, and default of Tenant in the full punctual payment of the premium costs thereof, or the possession, use, sale, distribution or giving away of any alcoholic liquor in, on or from the premises at any time or times said policy or policies are not in full force and affect, shall constitute a breach of this lease entitling Landlord, at its election, forthwith and without notice to terminate the term hereof by entry and to recover from Tenant damages, including all sums of money for which Landlord, Landlord's agents and servants, and the demised premises and improvements, or any of them, may become liable to pay any person or persons as the result of any violation, in, on or from the demised premise, of said Illinois Liquor Control Act, or of any other rule of law, act, statute, ordinance or governmental regulation or order, together with costs and expenses of Landlord and Landlord's agents and servants.

2. **Whole Agreement.** This Agreement sets forth the entire agreement between the parties and there have been no additional oral or written representations or agreements with respect to the matters set forth herein. As amended herein, the Lease between the parties shall remain in full force and effect. In case of any inconsistency between the provisions of the Lease and this Agreement, the latter provisions shall govern and control.
5. **Binding Effect.** This Amendment shall bind and benefit Tenant and Landlord, and their respective estates, predecessors, successors, and assigns.
6. **Representations.** Each party represents to the other that it has full power and authority to execute this Agreement.
7. **No Offer.** This Agreement shall not be binding until executed and delivered by all parties.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Agreement as of the day and year first above written.

LANDLORD:

42 West Jefferson L.L.C.  
an Illinois Limited Liability Company


By:   
Scott R. Price  
Its: Member

TENANT:

Gordy's Quick Mart of St. Charles LLC,  
an Illinois Limited Liability Company

By:   
Gordon Simic  
Its: Member

GUARANTOR:

  
Gordon Simic

Form **LLC-5.5**

Illinois  
**Limited Liability Company Act  
Articles of Organization**

**FILE # 06435807**

**Secretary of State Jesse White**  
Department of Business Services  
Limited Liability Division  
www.cyberdriveillinois.com

**Filing Fee: S500**  
**Expedited Fee: S100**  
**Approved By: TLB**

**FILED**  
**AUG 16 2017**  
**Jesse White**  
**Secretary of State**

1. Limited Liability Company Name: GORDY'S QUICK MART OF ST. CHARLES, LLC
  
2. Address of Principal Place of Business where records of the company will be kept:  
902 S. RANDALL ROAD, UNIT 306  
ST. CHARLES, IL 60174
  
3. The Limited Liability Company has one or more members on the filing date.
  
4. Registered Agent's Name and Registered Office Address:  
  
DANIEL NELSON  
129 W WILLOW AVE  
WHEATON, IL 60187-5236
  
5. Purpose for which the Limited Liability Company is organized:  
"The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."
  
6. The LLC is to have perpetual existence.
  
7. Name and business addresses of all the managers and any member having the authority of manager:  
  
SIMIC, TERRI  
902 S. RANDALL ROAD, UNIT 306  
ST. CHARLES, IL 60174

8. **Name and Address of Organizer**

I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

Dated: AUGUST 16, 2017

TERRI SIMIC  
902 S. RANDALL RD, UNIT 306  
ST. CHARLES, ILLINOIS 60174





LLC-5.25

4. The amendment was approved in accordance with Section 5-25 of the Illinois Limited Liability Company Act.
5. I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Amendment are to the best of my knowledge and belief, true, correct and complete.

Dated: 12/17 2017  
Month/Day Year

  
Signature

Terri Simic, Manager  
Name and Title (type or print)

GORDY'S QUICKMART OF ST CHARLES, LLC  
If applicant is signing for a company or other entity,  
state name of company or entity.

**NOTE:**

**The following paragraph is adopted when Item 3g is checked:**

The operating agreement provides for the establishment of one or more series. When the company has filed a Certificate of Designation for each series, which is to have limited liability pursuant to Section 37-40 of the Illinois Limited Liability Company Act, the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series shall be enforceable against the assets of such series only, and not against the assets of the Limited Liability Company generally or any other series thereof, and unless otherwise provided in the operating agreement, none of the debts, liabilities, obligations or expenses incurred, contracted for or otherwise existing with respect to this company generally or any other series thereof shall be enforceable against the assets of such series.

# Gordy's Quick Mart of St. Charles, LLC

## Business Plan

### Description

Gordy's Quickmart will be an upscale quick mart servicing the citizens, residents, and visitors of St. Charles, Illinois. It will provide food for on site consumption as well as a range of grocery items that customers may take with them. There will be sales of alcohol and cigarettes for patrons of legal age.

### Hours of Operation

Monday through Thursday:	5AM-11PM
Friday through Saturday:	7AM-1AM
Sunday:	7AM-8PM

### Menu of Products Available

Milk	Dish Soap	Nachos
Soda	Advil	Hot Dogs
Water	Motrin	Smoothies
Sports Drinks	Tylenol	Shampoo
Cold Coffee	Cold Medicines	Conditioner
Beer	Cough Drops	Hairspray
Wine	Nasal Decongestant	Snow Salt
Spirits	Cellular Phone Plugs	Ice Scrapers
Fountain Drinks	Cell Phone Covers	Bug Spray
Brewed Coffee	Batteries	Tan Lotion
Candy	Ice	Chapstick
Gum	Lottery Tickets	Deodorant
Chips	Cigarettes	Eggs
Paper Towels	Fresh Baked Cookies	Nail Files
Toilet Paper	Fresh Donuts	Toothpaste
Feminine Products	Lunch Boxes	Toothbrushes
Diapers	Sandwiches	Mouthwash
Baby Wipes	Wraps	Bread
Detergent	Fruit Cups	Cereal
Windex	Yogurt	
Mr. Clean	Hot Pretzels	

## **Live Music**

There will be no live music on site at Gordy's

## **Outdoor Smoking and Seating**

There will be no outdoor designated smoking area at Gordy's. Weather Permitting, there will be a small outdoor seating area as outlined in the attached Site Plan.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
02/05/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Afina Insurance Advisors Inc. 1S660 Midwest Road Suite 300 Oakbrook Terrace IL 60181	<b>CONTACT NAME:</b> Peggy Patis <b>PHONE (A/C, No, Ext):</b> (630)524-3090 <b>E-MAIL ADDRESS:</b> ppatis@afinainsurance.com		<b>FAX (A/C, No):</b> (630)524-3046
	<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: Underwriters at Lloyds London		<b>NAIC #</b> 15642
<b>INSURED</b> Gordy's Quick Mart of St. Charles LLC 902 S. Randall Rd. St. Charles IL 60174	<b>INSURER B:</b>		
	<b>INSURER C:</b>		
	<b>INSURER D:</b>		
	<b>INSURER E:</b>		
	<b>INSURER F:</b>		

**COVERAGES** CERTIFICATE NUMBER: CL182513192 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR			LIQ226972	02/05/2018	02/05/2019	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> LIQUOR LIABILITY GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				EACH OCCURRENCE \$ AGGREGATE \$ \$
							PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Coverage applies at 101 E. Main St., St. Charles, Ill. 60174

<b>CERTIFICATE HOLDER</b> State of Illinois Liquor Control Commission 100 W. RaNdolph Chicago, IL 60601	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 5

Title:

Discussion to Consider Plans for the Addition of a Patio for the Alibi Bar & Grill located at 12 N 3<sup>rd</sup> Street, St. Charles, IL 60174. (Information only)

Presenter:

Jim Keegan, Police Chief

Meeting: Liquor Control Commission

Date: June 18, 2018

Proposed Cost: \$

Budgeted Amount: \$

Not Budgeted: **Executive Summary** *(if not budgeted please explain):*

Rich Simpson from the Alibi Bar & Grill, 12 N 3<sup>rd</sup> Street, St. Charles, has approached the City requesting to have a patio addition installed at his establishment. Mr. Simpson has been before the Historic Preservation Commission where it was requested that he bring back architectural drawings for the proposed addition. He is not seeking approval at this time but would like to discuss his plans with the Liquor Control Commission prior to approaching an architectural firm.

**Attachments** *(please list):*

Rendering of Patio Addition

**Recommendation/Suggested Action** *(briefly explain):*

Discussion to Consider Plans for the Addition of a Patio for the Alibi Bar & Grill located at 12 N 3<sup>rd</sup> Street, St. Charles, IL 60174. (Information only)

