

LEASE AGREEMENT

Between the

City of Milwaukee

and

Centercourt 1118, LLC

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LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is entered into as of the ____ day of November, 2009, by and between the City of Milwaukee, a Wisconsin municipal corporation, (hereafter referred to as "Lessor"), and Centercourt 1118, LLC a Wisconsin limited liability company, (hereafter referred to as "Lessee").

ARTICLE I DEMISE AND DESCRIPTION

- 1.0 "Leased Premises": Lessor leases to Lessee and Lessee hires from Lessor under the terms and conditions described herein, certain premises depicted on **Exhibit "A"**, containing 8,470 gross square feet. These premises, (hereinafter referred to as the "Leased Premises") are located at 1118 North 4th Street, Milwaukee, Wisconsin, (hereinafter referred to as the "Project").

ARTICLE II TERM

- 2.0 Term: This Lease shall be effective as of November 13, 2009 (the "Effective Date"), and its term shall be for a period commencing on the Effective Date and expiring December 31, 2016 (the "Term"), unless sooner terminated or further extended in the manner provided for herein.
- 2.1 Holding Over: Any holding over after the expiration of the Term shall be construed to be a tenancy from month to month on the same terms and conditions herein specified until either Lessor or Lessee terminates this Lease by giving the other party thirty (30) day prior written notice. The terms and conditions of this Lease shall apply to any such holdover period.
- 2.2 Occupancy: The parties acknowledge that Lessor is occupying the Leased Premises as of the Effective Date and anticipates opening to the public during the month of November, 2009. If opened for business prior to granting of liquor license, no liquor shall be served on Leased Premises.
- 2.3 Early Termination: In the event that the Bradley Center, 1001 North Fourth Street, Milwaukee, WI 53203, closes, is razed or fails to host any sporting, entertainment or other public event for a period of six consecutive months, then Lessee may, upon 30 days prior written notice to Lessor, terminate this Lease.
- 2.4 Option to Extend Term: On or before a date which is one year prior to the expiration date of the initial Term of this Lease, either party may request of the other that the Term be extended for a period equal to seven years following the expiration of the initial Term of this Lease. Upon the written acceptance of such request by the other party, provided

same is delivered within 30 days of the date of the request to extend the Term, the Term of this Lease shall then and thereafter be extended so as to expire December 31, 2023, unless sooner terminated in the manner provided for herein. The Rent due and payable during the extended Term of this Lease shall be as set forth in **Exhibit B**.

ARTICLE III RENT

3.0 Base Rent.

- 3.01 Amount: Beginning on the Effective Date and continuing throughout the Term, Lessee shall pay Lessor a base rent ("Base Rent") as set forth on **Exhibit "B."** The Base Rent is computed based upon a Leased Premises consisting of 8,470 square feet.
- 3.02 Manner of Payment: The Base Rent shall be paid in equal monthly installments, in advance, on or before the first day of every month during the Term by mailing it to Lessor at the address set forth below. Notwithstanding any other term or provision of this Lease to the contrary, Lessor hereby grants to Lessee rent abatement, effective during the months remaining in 2009 and the first three months of 2010.
- 3.03 Liquor License Contingency: If the City of Milwaukee fails to approve a liquor license for the operation of a tavern at the Leased Premises, the Lessee reserves the right to terminate lease. The Lessor will not be obligated to reimburse Lessee for any improvements made, should the Lessee exercise its right to terminate the lease for lack of a liquor license approval. If the Common Council of the City of Milwaukee delays the approval of a liquor license beyond December 1, 2009, the Lessor agrees to abate one additional month of rent for every calendar month that the approval of the liquor license is delayed not to exceed four consecutive months.
- 3.04 "Rent": The Base Rent and the Percentage Rent, as those terms are defined herein, are hereafter sometimes collectively referred to as "Rent."

3.1 Percentage Rent.

- 3.11 Amount: In addition to the payment of Base Rent, Lessee shall pay to Lessor for each "Lease Year" of the term hereof, (the term "Lease Year" shall mean the period from each January 1st to December 31st of the same year), as Percentage Rent: (a) five percent (5%) of the amount, if any, by which the Gross Sales, as hereinafter defined, exceed One Million Two Hundred Fifty Thousand Dollars (\$1, 250,000.00) and are less than Two Million Dollars (\$2,000,000.00); and (b)

seven percent (7%) of the amount, if any, which the Gross Sales exceed Two Million Dollars (\$2,000,000.00).

- 3.12 "Gross Sales" shall mean the total gross selling price of all merchandise sold by Lessee to the public on the Leased Premises, whether for cash, credit card, or credit, regardless whether collection is made. Gross Sales shall exclude refunds for merchandise returned, which was previously included in Gross Sales; allowances or adjustments granted to customers, merchandise returned to vendors; sales, excise and like taxes which are added to the selling price of merchandise and paid for by the customer; credit card service fees; sales of capital assets; charitable and other promotional meals; employee gratuities; sales made by means of mechanical or electronic devices, including telephones, vending machines and games.
- 3.13 Payment: Percentage Rent is payable by Lessee to Lessor annually no later than April 1st for the Lease Year most immediately concluded.
- 3.14 Lessee to Provide Statements: Lessee shall provide to Lessor annually, no later than April 1st, a compiled financial report of its operations on the Leased Premises for the Lease Year most immediately concluded, including an audit of sales, prepared by a certified public accountant and certified by Lessee to fairly present the financial condition of Lessee.
- 3.15 Lessor's Right to Audit: Lessor shall have the right, after fifteen (15) days notice to Lessee, to have its employees or agents make an audit of Lessee's financial records as far as they pertain to Gross Sales made on the Leased Premises. Such audit shall be conducted at Lessor's expense unless the audit discloses a discrepancy of more than four percent (4%) of Gross Sales. In the latter event, Lessee shall reimburse Lessor for the cost of the audit, in addition to any deficiency in Percentage Rent. Lessor shall have the right to audit Lessee's financial records within twelve (12) months after the close of each Lease Year. Lessee's books and records are its private property, and Lessor shall keep confidential all information which it derives therefrom to the fullest extent allowed by law.
- 3.2 Security Deposit: Upon execution of this Lease, Lessee shall pay to Lessor, as a security deposit, the sum of \$25,000 (the "Security Deposit").
- 3.3 Renegotiation of Rent: In the event the current franchise in the National Basketball Association known as the Milwaukee Bucks, or any successor or replacement franchise in the National Basketball Association ("NBA") ceases to play substantially all of their home games at the Bradley Center, 1001 North 4th Street, Milwaukee, WI 53203, or if the Bradley Center is closed for an extensive period of time for remodeling or reconstruction,

then the parties hereto shall negotiate in good faith in respect of an appropriate reduction in the Rent, such reduction to be effective beginning the month of November in which NBA games are not played at the Bradley Center or for the duration of the closure.

ARTICLE IV USE

- 4.0 Use, Change of Use: Lessee shall have the right to use the Leased Premises for the operation of a “restaurant, sit down,” as defined in Chapter 295 of the Milwaukee Code of Ordinances, as amended, holding a general on-premises liquor license, as well as for all uses and activities usually associated with a Class "B" on-premises liquor license. Such activities include live entertainment; provided however, that no exotic dancers or male or female strippers shall be allowed to perform on the Leased Premises. Lessee shall use the Leased Premises for no other purpose without prior written consent of Lessor.
- 4.1 Lessee Not to Violate Laws: Lessee shall conduct its business on the Leased Premises at its discretion. Lessee shall not knowingly do, or permit anything to be done, which will violate any law or ordinance affecting the occupancy. Lessee may, at its cost, and by appropriate legal proceedings, contest the validity, in whole or in part, of any law, ordinance or instrument of record affecting the Leased Premises. Provided, however, neither Lessor nor the Leased Premises shall be placed in any danger of civil or criminal liability or imposition of any lien by Lessee's failure to comply.
- 4.2 Lessee Determines Opening Hours; Lessor's Repairs: Subject only to local laws and ordinances, Lessee may, or may not, in its sole discretion, be open for business at any time day or night during any day of the year. Lessor shall not undertake or permit any action that prevents or limits Lessee from being open for business as described above. Temporary repair and maintenance work by Lessor ("Repairs") on the Leased Premises or the Common Areas executed with all deliberate speed shall not be deemed to prevent or limit Lessee from being open for business, and, except as provided in 4.25, Lessee shall not have any claim for loss of good will or loss of business as long as Lessor:
- 4.21 gives Lessee written notice of at least fourteen (14) days prior to commencement of Repairs or, in case of an emergency, the longest reasonable notice possible; and
 - 4.22 provides reasonable, temporary access for the public and for suppliers to the Leased Premises or Common Areas during the Repair period; and
 - 4.23 keeps the Common Areas and Leased Premises as clean as reasonably possible during the Repair period from dirt or debris created by the Repairs, and causes a thorough removal of all dirt or debris created by the Repairs from the Common Areas and the Leased Premises immediately after the end of the Repairs; and

- 4.24 repairs with all deliberate speed any damage to the Common Areas or the Leased Premises caused by the Repairs; and
- 4.25 notwithstanding the foregoing, in the event that Lessee incurs a substantial impairment in business as the direct result of Repairs undertaken by Lessor then Lessee shall be entitled to a rent abatement during the period when Repairs are being undertaken by Lessor. "Substantial impairment in business" shall mean a decrease in Gross Sales of at least fifty per cent (50%), for a period of not less than seven (7) days, measured against the corresponding period during the preceding calendar year.
- 4.3 Rights to Certain Areas: The terms "Common Areas" and "Exclusive Common Areas" as used herein shall mean the areas depicted as such on **Exhibit "A"** hereto, including the basement with the exception of the utility rooms. Lessor warrants that Lessee has a non-exclusive right and easement to the use of all Common Areas and an exclusive right and easement to the use of all Exclusive Common Areas at no additional cost to Lessee. If at any time during the term of this Lease, for any reason except condemnation, the Common Areas or Exclusive Common Areas are reduced or substantially altered, Lessor shall have the obligation to provide substitute areas of substantially equal quality and quantity within a reasonable distance from the Leased Premises. If these areas are reduced due to condemnation proceedings, the provisions of Article XV shall govern.
- 4.4 Customer Parking: Lessor, at no cost to Lessee or its customers, shall provide at the parking structure in which the Leased Premises are situated (the "Structure") up to two (2) hours free parking for Lessee's customers between the hours of 11:00 A.M. – 2:00 P.M. on any day in which the Structure is not charging a special event rate for parking at such time, through use of a mechanical validator to be supplied by Lessor. If Lessee desires to offer its customers discounted parking for entry after 2:00 P.M, a separate agreement will be negotiated in good-faith between the Lessor and Lessee that may include limited free parking on non-event evenings and discounted coupons to be billed back to Lessee on event evenings.

ARTICLE V UTILITIES AND TAXES

5.0 Utilities.

- 5.01 Installation. Lessee shall install, at its expense, any utility lines, services or facilities which it may from time to time require. The cost of any permits or fees, including any sewer and water access and availability charges, incidental to the installation of utilities and the cost of any separate meters measuring Lessee's electricity, gas, and water consumption shall be borne by Lessee.

5.011 Lessee shall pay for the cost of electricity, gas, sewer and water it consumes during the term of the Lease directly to the utility companies. If Lessee installs any equipment requiring additional facilities, Lessee shall bear the cost of the installation. Such facilities may be removed by Lessee at the expiration or other termination of the Lease.

5.1 Personal Property Taxes: Lessee shall pay all taxes levied on its personal property, including trade fixtures and inventory owned by it and kept on the Leased Premises.

5.2 Real Property Taxes and Assessments.

5.21 Real Property Taxes: Lessee shall pay and discharge when due all real property taxes, if any, assessments and governmental impositions levied against the Leased Premises. Lessee may take advantage of any law or ordinance permitting any taxes to be paid over a period of time, and Lessee shall be obligated to pay only those installments becoming payable during the Lease term. Lessee shall not be responsible for special assessments levied in connection with the original construction of the Property or any additions or improvements thereto.

5.22 Excluded Taxes: Lessee shall not be obligated to pay any portion of any increase in Taxes resulting from an increase in assessed valuation attributable to a change in ownership of the Leased Premises.

5.23 Assessments: Lessor warrants that there are no special assessments or liens currently outstanding or contemplated which affect the Leased Premises. Lessee shall not be responsible for any future special assessments levied against the Property, the Leased Premises or any additions or improvements thereto.

5.24 Lessor's Taxes Excluded: Nothing in this Lease shall obligate Lessee to pay any income, profits, or revenue tax on the income of Lessor or any debt service on any mortgage financing for the Project, or any franchise, excise, corporate, estate, inheritance, succession, capital levy, or transfer tax of Lessor.

5.3 Right of Contest: Lessee may at any time seek a reduction in the assessed valuation of, or contest any taxes levied against the Leased Premises. Pending resolution of any such contest, Lessee may withhold payment of any taxes if permitted to do so by applicable laws. Provided, however, Lessee shall hold Lessor and the Leased Premises harmless from any obligation to pay any such taxes and from any lien which may be placed on the Leased Premises by the taxing authority and Lessee shall, except under the circumstances described in the following sentence, pay any such lien before any action is brought for the foreclosure thereof. Lessee may, at its option, contest any such lien through a court proceeding for foreclosure thereof. If Lessor has a reasonable basis to believe that Lessor's interest in the Leased Premises will be impaired by such lien, Lessor may pay off

the Lien, in which event Lessor shall be entitled to immediate reimbursement by Lessee in the full amount of such payment.

ARTICLE VI CONSTRUCTION, FURNITURE, FIXTURES, AND EQUIPMENT

- 6.0 Lessor's Construction: Lessor has furnished the exterior of the Project, including the Common Areas and the Leased Premises. The Leased Premises, Common Areas and Exclusive Common Areas are shown in **Exhibit "A"**.
- 6.1 Furniture, Fixtures, and Equipment ("FF&E"): Lessee shall provide and install all of its FF&E.
- 6.2 Electric Outside Sign: Lessor permits Lessee to mount electric outside sign or signs on exterior walls of the Leased Premises as shown on the plans attached as **Exhibit "C"**. Additional/modified signage requests must be approved in advance through means of a requisite permit required by city ordinances and issued by the Department of City Development Permit Office located at 809 North Broadway, Milwaukee, Wisconsin.
- 6.3 Exterior Banners: Lessor permits Lessee to obtain and mount, at Lessee's sole expense, post-mounted banners or similar displays on the exterior walls of the Structure. In addition to Lessor's permission hereby granted, Lessee shall also obtain the requisite permits required by city ordinances for displays of the type described above and the approval of the Redevelopment Authority of the City of Milwaukee ("RACM").

ARTICLE VII TRADE FIXTURES

- 7.0 Lessee May Install Fixtures: Lessee may install and affix to the Leased Premises such machinery, fixtures, equipment and personal property as Lessee may deem desirable, which shall remain Lessee's sole property.
- 7.1 Lessee May Remove: Lessee shall have the right , at any time during the term of this Lease, to remove or change any personal property or leasehold improvement installed by it, at its sole expense, provided that if such removal damages any part of the Leased Premises, Lessee shall promptly repair such damage.

ARTICLE VIII REPAIRS, ALTERATIONS AND MAINTENANCE

- 8.0 Lessee to Maintain Premises: Subject to the provisions of Articles XIV and XV dealing with the destruction and condemnation of the Leased Premises, Lessee shall maintain the interior of the Leased Premises, including all window and door glass in good condition

and repair, ordinary wear and tear excepted. Notwithstanding the foregoing, Lessee shall not be responsible for the repair or replacement of window or door glass located in the Common Areas or the Exclusive Common Areas.

8.01. Lessor shall inspect and service the HVAC units located on the roof of the Structure (the "HVAC Units") prior to execution of this Lease, such that the same are in good working order and repair. Upon the Effective Date, maintenance of the HVAC Units will become the responsibility of the Lessee.

- 8.1 Lessee May Improve: Lessee may, at its expense make such permanent improvements alterations or additions to the interior of Leased Premises as it may deem necessary, provided the value of the Leased Premises is not substantially diminished thereby, and further provided that Lessee shall have provided Lessor with plans and specifications in a form reasonably acceptable to Lessor's Commissioner of Public Works depicting such permanent improvements alterations, or additions prior to the commencement of construction where the cost of the construction is greater than Two Thousand Five Hundred Dollars (\$2,500.00).

ARTICLE IX ASSIGNMENT AND SUBLETTING

- 9.0 No Transfer Without Lessor's Approval: Lessee shall not assign, sublet, sell or otherwise transfer any portion of the Leased Premises or Lessee's interest therein, including this Lease (hereafter collectively referred to as a "Transfer") without the prior written consent of Lessor.
- 9.1 Release of Lessee: In the event of any assignment permitted by this Article IX and upon Lessor's written consent to such assignment, Lessee shall be released from all rights and obligations under this Lease.

ARTICLE X PROTECTION OF LESSOR

- 10.0 Liens and Claims.

10.01 Lessee to Hold Lessor Harmless: Lessee shall not suffer or permit to be enforced against the Leased Premises or any part thereof, any mechanic's, material supplier's, contractor's or subcontractor's lien arising from any work of construction, repair, restoration, replacement or improvement to the Leased Premises by Lessee. Lessee shall pay any such lien, claim or demand before any action is brought to enforce it against the Leased Premises. Lessee agrees to hold Lessor and the Leased Premises harmless from all liability for all such liens, claims and demands, together with all costs in connection therewith.

- 10.02 Lessee's Right to Contest: Notwithstanding any provision to the contrary, Lessee may contest, at its option and expense, the validity of any lien, claim or demand. Lessee shall defend itself and Lessor against the lien, claim or demand and shall pay any judgment that may be rendered before enforcement against Lessor or the Leased Premises.
- 10.03 Lessor's Protection: If a final judgment is rendered against Lessee by a court of competent jurisdiction for the foreclosure of any such liens and if Lessee fails to stay the execution of the judgment or to pay the judgment, Lessor shall have the right, but not the duty, to pay, stay or prevent the execution of any such judgment or lien or both. Lessee shall reimburse Lessor for all sums paid by Lessor should Lessor be forced to pay or otherwise discharge such judgment, including its reasonable attorney's fees.
- 10.1 Liquor License: Lessee shall be held solely responsible for compliance with all laws or ordinances concerning the sale of alcoholic beverages on the Leased Premises and with any conditions or requirements of a liquor license. Lessee shall hold Lessor harmless from any liabilities, losses, costs, including attorney's fees, resulting from the sale of alcoholic beverages on the Leased Premises.

ARTICLE XI
DEFAULT BY LESSEE

- 11.0 Events of Default: Each of the following shall be deemed a default by Lessee:
- 11.01 Failure to Pay Rent: Lessee shall be in default upon failure to pay Rent when due, and the failure is not cured within ten (10) days after written notice of such failure has been given to Lessee by Lessor;
- 11.02 Failure to Perform: Lessee shall be in default upon failure to perform any other term or condition of this Lease which is the responsibility of Lessee, and if such failure is not cured within thirty (30) days after written notice by Lessor. If the failure is caused by events beyond Lessee's reasonable control, Lessee shall so inform Lessor and shall use due diligence to cure the default as soon as feasible and shall not be considered in default.
- 11.03 Abandonment: Lessee shall be in default upon vacating or abandoning the Leased Premises; except that a temporary closing for remodeling or repairs or for a business holiday shall not be deemed vacation or abandonment.
- 11.04 Lessee shall be adjudged as bankrupt, or a decree or order, approving as properly filed, a petition or answer asking reorganization of Lessee under Federal

Bankruptcy Laws as now or hereafter amended, or under the laws of the State of Wisconsin, shall be entered, and any such decree, judgment or order shall not have been vacated, stayed or set aside within sixty (60) days from the date of the entry or granting thereof; or

- 11.05 Lessee shall file or admit the jurisdiction of the court and the material allegations contained in, any petition in bankruptcy, or any petition pursuant to purporting to be pursuant to the Federal Bankruptcy Laws as now or hereafter amended, or Lessee shall institute any proceedings or shall give its consent to the institution of any proceedings for any relief of Lessee under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment or indebtedness, reorganization, arrangements, composition of evidence; or
- 11.06 Lessee shall make any assignment for the benefit of creditors or shall apply for or consent to the appointment of a receiver for Lessee; or
- 11.07 Lessee shall make any assignment, transfer, conveyance or other disposition of its interest in the Leased Premises, without the express written consent of Lessor.
- 11.08 Lessee creates, or allows to occur, conditions which cause the chronic existence of a public nuisance at, on or about the Leased premises or there shall occur, on an ongoing and cumulative basis with regard to assaults, batteries, drug activity, gun activity, prostitution, or any additional police action or services required arising out of or in connection with the Lessee's operation from the Premises and therefore causes a significant drain on Lessor's public safety resources as a result of calls to the Leased Premises.

11.1 Lessor's Rights Upon Lessee's Default.

- 11.11 Lessor's Actions: In the event of any default set forth in the foregoing section, and with written notice sent by Lessor to Lessee at least thirty (30) days prior to taking actions, Lessor may take the following actions:
 - 11.110 Lessor may elect to terminate this Lease; Lessee, however, will remain to be obligated to pay Rent as if the Lease were in full effect; or
 - 11.111 After having obtained judgment for eviction and a writ of restitution from a court of competent jurisdiction, Lessor may re-enter the Leased Premises, remove all persons and property therefrom, and store such property in a public warehouse at the sole cost of Lessee, without becoming liable for any loss or damage, except for loss of

damage resulting from willful or negligent acts of Lessor, its employees or agents, and such re-entry will not terminate this Lease or release Lessee from liability hereunder.

- 11.12 **Lessor May Perform Lessee's Duties:** In the event that Lessee has failed to perform any of the terms and conditions of the Lease other than paying Rent, Lessor may perform the covenant, term or condition of Lessee which is in default. Lessor's performance of such covenant shall not subject Lessor to liability for any loss, inconvenience or damage to Lessee except for loss or damage arising from willful or negligent acts of Lessor, its employees or agents. Lessor's performance of any such covenant shall not be construed as a waiver or Lessee's default or of any other right of Lessor in respect to such default, or as a waiver of any covenant, terms or condition of this Lease. Lessor shall be entitled to reimbursement from Lessee, including reimbursement for reasonable attorney's fees, for any sums expended under the provision of this section.
- 11.2 **Re-Letting:** In the event Lessor re-enters the Leased Premises pursuant to 11.111, Lessor may either terminate this Lease, or from time to time without terminating this Lease, make alterations for the purpose of re-letting the Leased Premises. Lessor may, upon default of Lessee, re-let the Leased Premises for any terms or conditions Lessor deems advisable. Regardless of whether Lessor re-enters the Leased Premises as provided in 11.111, Lessor must use its best efforts to re-let the premises and mitigate its damages. Upon such re-letting, this Lease shall terminate and Lessor and Lessee shall be released from any rights and liabilities hereunder.
- 11.3 **Security Deposit:** Upon the occurrence of a default set forth above, Lessor may, at any time, take and apply any part or all of the Security Deposit in satisfaction of any unpaid debt, obligation, expense or other unreimbursed liability of any kind due and owing Lessor by or on account of Lessee, including without limitation any past due Rent.
- 11.4 **Remedies Cumulative:** The remedies of Lessor and Lessee shall be cumulative and no one of them shall be construed as exclusive of any other or of any remedy provided by law or in equity. The exercise of any one right or remedy by Lessor or Lessee shall not impair its standing to exercise any other right or remedy.

ARTICLE XII DEFAULT BY LESSOR

- 12.0 **Events of Default:** Lessor shall be in default upon failure to perform any terms or conditions of this Lease which are the responsibility of Lessor, and if such failure is not cured within thirty (30) days after written notice by Lessee. If the failure is caused by events beyond Lessor's reasonable control, Lessor shall so inform Lessee and shall use due diligence to cure the default as soon as feasible and shall not be considered in default.

In the event of any default provided in the foregoing sentences and with written notice sent by Lessee to Lessor at least thirty (30) days prior to taking action, Lessee may take any of the following actions:

12.01 Lessee May Cancel Lease: Lessee may terminate the Lease and neither Lessor nor Lessee shall have any further rights or obligations hereunder, except that Lessor shall repay Lessee any sums which Lessee expended under the provisions of 12.02.

12.02 Lessee May Perform Lessor's Duties: Lessee may pay any sums necessary to perform any obligation of Lessor and shall be entitled to reimbursement, including reimbursement for reasonable attorney's fees, from Lessor.

ARTICLE XIII INSURANCE

13.0 Lessee's Insurance.

13.01 Liability Insurance: Lessee shall throughout the term of this Lease carry, at its expense, insurance in the forms and with at least the coverages set forth on Exhibit "E" hereto. Lessor retains the right, at its sole discretion to adjust the foregoing coverage limits annually, effective on each January 1 of the Term of this Lease Agreement, to such insurance coverages and limits which are customarily provided at that time, by similar enterprises, and are commercially reasonable at that time. Said insurance shall be written by a reputable company licensed in the State of Wisconsin. Lessee shall furnish a Certificate of Insurance naming the Lessor as additional named insured. The Certificate shall provide that the insurance company will furnish Lessor with a sixty (60) day written notice of cancellation, nonrenewal or material change.

13.02 Damage, Loss Insurance: Lessee shall throughout the term of this Lease carry, at its expense, insurance covering improvements to the Leased Premises, but not including the Shell of the Leased Premises or window and door glazing, against loss or damage by fire and such other risks as are now, or hereafter may be, included in an extended coverage endorsement in common use for commercial structures, including vandalism and malicious mischief, in an amount not less than full replacement value of such items and in an amount sufficient to prevent Lessor or Lessee from becoming a co-insurer within the terms of the applicable policy. Such insurance shall name Lessor as an additional insured. Lessee shall use all proceeds of such insurance for repair and reconstruction of casualty damage, except as otherwise provided in Article XIV.

- 13.1 Proof of Insurance: Lessee shall deliver to Lessor prior to the date on which the particular coverage is to be in effect, certificates of the insurance coverages required by this Lease. Lessee shall deliver to Lessor evidence of each renewal thereof. Neither party shall knowingly do, or permit to be done, anything which would cause any insurance required by this Lease to become invalid.
- 13.2 Indemnification: Lessee hereby indemnifies and saves harmless Lessor from and against all liabilities, claims, demands, judgments, losses and all suits at law or in equity, costs and expenses, including reasonable attorney's fees, for injuries to and/or death of any person or persons and/or loss and/or damage to the property of any person, firm or corporation whomsoever, including both parties hereto and their employees, arising from the construction, maintenance or operation of Lessee's improvements and equipment, or in the carrying on of its business in or on the Leased Premises as hereinbefore set forth, except when such liability, claim, demand, judgment or loss arises from an act of Lessor, its agents, contractors or employees, or those to whom Lessor grants access rights over the Property.

ARTICLE XIV DESTRUCTION OF PREMISES

- 14.0 Reconstruction: If either party elects not to terminate this Lease due to destruction of the Leased Premises as permitted in this Article, then Lessor and Lessee shall negotiate the loss adjustment with each of their insurance companies. Using due diligence, Lessor and Lessee shall each then repair, restore or reconstruct those portions of the Leased Premises which either party is obligated to cover with insurance in accordance with Sections 13.02 or 13.1, respectively, and plans and specifications reasonably acceptable to Lessor's Commissioner of Public Works, with such changes in building codes and practices as have been instituted since the Effective Date, to a condition at least equal to that existing immediately prior to such damage or destruction. To the extent that Lessee cannot open the Leased Premises for public business during such period of repair and restoration, all Rent shall abate.
- 14.1 Lessee May Cancel Lease: Notwithstanding the foregoing, Lessee may elect to terminate this Lease by giving Lessor written notice of such election within thirty (30) days of the damage or destruction if any of the conditions enumerated in 14.11, 14.12, or 14.13 exist. This Lease shall then cease ten (10) days after delivery of such notice and Lessor and Lessee shall be relieved from any further rights or obligations hereunder.
- 14.11 More than 30% Destruction: If at any time during the last two (2) years of the Term or any extension thereof, the Leased Premises are damaged or destroyed by reason of peril required to be insured against, to the extent that the cost of the restoration will exceed thirty (30) percent of their full replacement value exclusive of foundations and underground lines; or

- 14.12 More than 180 Days Rebuilding: If, in Lessee's reasonable opinion, repair of the Leased Premises cannot be completed within one-hundred and eighty (180) days; or
- 14.13 More than 10% Destruction: If the Leased Premises are damaged or destroyed by reason of a peril not required to be insured against, and the cost of restoration exceeds ten (10) percent of their full replacement value.
- 14.2 No Rebuilding: If Lessee elects to terminate this Lease as allowed under this Article, Lessee shall deliver possession of the Leased Premises to Lessor and there shall be no obligation by either party to repair or to rebuild.
- 14.3 Distribution of Insurance Proceeds: If the Lease is terminated as provided under this Article, each party shall be entitled to the proceeds from its respective insurance companies. If the Lease is not so terminated, each party shall be entitled to any such insurance proceeds remaining after complying with the provisions of this Article relating to repair and reconstruction.
- 14.4 Lessor May Cancel Lease: Notwithstanding the foregoing, Lessor may elect to terminate this Lease by giving Lessee written notice of such election if the Leased Premises are damaged or destroyed, the cost of restoration exceeds thirty per cent (30%) of their full replacement value and Lessor elects not to rebuild or repair the Leased Premises. This Lease shall then cease ten (10) days after delivery of such notice and Lessor and Lessee shall be relieved from any further rights or obligations hereunder.

ARTICLE XV CONDEMNATION

- 15.0 Distribution of Awards: In the event the Leased Premises or Common Areas, or any part thereof are taken as a result of any eminent domain proceeding, or are voluntarily transferred in lieu of, or under threat of condemnation to any authority with the power of eminent domain, the interest of Lessor and Lessee in the award, including attorney's fees and interest, shall be as provided by law. Provided, Lessee shall, and Lessor shall not, be entitled to any award for (i) loss or damage to Lessee's trade fixtures or removable personal property; (ii) cessation or interruption of Lessee's business and good will; (iii) the value of the unexpired leasehold, (iv) cost of removal or relocation; and (v) any other claim which Lessee may be entitled by law to make.

- 15.1 Total Taking: In the event of a total taking of the Leased Premises or the Common Areas, this Lease shall cease on the date title to the Leased Premises vests in the condemning authority and Lessee's obligation to pay rent shall terminate on that date. Upon such termination, Lessor and Lessee shall be relieved of any further rights and obligations under this Lease.
- 15.2 Partial Taking, Lease Cancelled: In the event of a partial taking which is so substantial as to leave the Leased Premises or Common Areas in such shape or size, or which so substantially impairs Lessee's right of ingress or egress that the Leased Premises or Common Areas cannot, in Lessee's judgment, be used for operating Lessee's business, then Lessee shall have the right to terminate this Lease on the date title to the land and improvements, or the portion thereof, vest in the condemning authority. Upon such termination, Lessor and Lessee shall be relieved of any further rights and obligations under this Lease.
- 15.3 Partial Taking, Lease Continued: In the event of a partial taking which leaves the Leased Premises or Common Areas in such shape or size that the remaining portion can, in Lessee's opinion, continue to be used for operating Lessee's business, the Lease concerning the condemned portion shall terminate on the date title to that portion vests in the condemning authority. The Lease for the portion not taken shall remain in effect. Beginning with that date, the Rent required to be paid by Lessee shall be reduced on a basis pro-rata to the reduction in value of the Leased Premises or Common Areas so taken. It is agreed that for purposes of the above mentioned pro-rata reduction only, ninety percent (90%) of the Base Rent is applied towards the Leased Premises, and ten percent (10%) towards the Common Areas. The portion of the Leased Premises or Common Areas not taken shall be restored by Lessor at its expense; provided, any award received by Lessee from the condemning authority specifically for the purpose of restoration shall be applied pro-rata to such restoration. Such pro-rata application shall be determined by multiplying the cost of such restoration by a fraction the numerator of which is the amount of the award received by Lessee and the denominator of which is the sum of the awards to Lessee and Lessor.

ARTICLE XVI QUIET ENJOYMENT

- 16.0 Lessor warrants that as long as Lessee is not in default under the terms of this Lease, Lessee shall have full, quiet and peaceful possession of the Leased Premises and the Common Areas and shall enjoy all the rights granted without interference and interruption. Lessor warrants that Lessor has good title to the Project and that Lessor has the right to lease the Leased Premises and to perform Lessor's obligations under this Lease. Lessor warrants further that the Leased Premises are properly zoned for the operation of a restaurant serving liquor.

**ARTICLE XVII
EMPLOYEE PARKING**

- 17.0 Lessor agrees, upon the written request of Lessee, to direct its management agent to make available a total of up to twenty (20) parking spaces within the Structure for use by employees of Lessee. The management agent of Lessor may, in its sole discretion, designate and mark specific spaces (which may or may not be contiguous) for Lessee's use or allow parking within the structure on an unrestricted basis. Lessee shall pay Lessor the unreserved rate per month for each parking space utilized pursuant to this paragraph. The amount paid by Lessee per month shall increase on the same dates as the rate charged for monthly parking by the general public increases. It is the intention of the parties that Lessee shall pay the same amount for parking under this paragraph as is paid by the general public for monthly unreserved parking.

**ARTICLE XVIII
MISCELLANEOUS PROVISIONS**

- 18.0 Payments and Notices: All communications and payments shall be made to the addresses shown below by U.S. Mail or other express carrier, addressed as follows:

To Lessor: City of Milwaukee
 Commissioner of Public Works
 841 North Broadway, Room 501,
 Milwaukee, WI 53202

To Lessee: Centercourt 1118, LLC
 115 W. Silver Spring Drive
 Milwaukee, WI 53217
 Attention: Rick Kohen

or at such other address as either party may hereafter designate in writing. Service of any such written notice shall be deemed complete at the time of personal delivery or within seven (7) days after mailing as provided above.

- 18.1 Non-Discrimination: Lessee hereby agrees that in its use of the Leased Premises and in its activities undertaken pursuant hereto it shall not discriminate, permit discrimination or restriction on the basis of race, sexual orientation, creed, ethnic origin or identity, color, gender, religion, marital status, age, handicap or national origin.
- 18.2 Construction and Effect.

- 18.21 Remedies Cumulative, Successors Bound: All remedies contained herein are cumulative and not exclusive. The article headings herein are used only for convenience and shall not be deemed to limit the subject of the articles or to be considered in their construction. All of the obligations, covenants, conditions and restrictions in this Lease shall be deemed as running with the land and shall inure to the benefit of, and be binding on, as the case may require, the successors, executors, administrators, personal representatives and assigns of the respective parties.
- 18.22 Fair Interpretation: The language of this Lease shall be construed as a whole and according to its fair meaning and not strictly for or against Lessee or Lessor.
- 18.23 Severability: If any term, covenant, condition, or provision of this Lease is held by a court to be invalid or unenforceable, the remainder of the provisions of this Lease shall remain in force.
- 18.24 Venue: The provisions of this Lease and all questions arising concerning its meaning shall be determined in accordance with the laws of the State of Wisconsin.
- 18.25 Failure to Perform Not a Waiver: Failure of Lessor or Lessee to insist upon the strict performance of the terms, conditions and agreements of this Lease shall not constitute or be construed as a waiver of Lessor's or Lessee's rights to enforce thereafter any such terms, conditions, or agreements.
- 18.26 Time of the Essence: It is expressly understood and agreed to by the parties hereto that time is of the essence of each term and provision of this Lease.
- 18.3 Entire Agreement: This Lease contains the entire agreement of the parties and no other agreement, statement, or promise made by any party shall be valid.
- 18.4 Unavoidable Delay - Force Majeure: If either party is delayed or prevented from the performance of any act required by this Lease, by reasons of fire, earthquake, war, flood, riot, strikes, labor disputes, governmental restrictions, judicial orders, public emergency or regulations, or other causes beyond the reasonable control of the party obligated to perform, performance of such act shall be excused for the period of the delay and the time for the performance of any such act shall be extended for a period equivalent to such delay.
- 18.5 Estoppel Certificates: At any time within fifteen (15) days after written request by either party, the other party shall execute and deliver to the requesting party, a statement certifying that this Lease is unmodified and in force or, if there have been modifications, that it is in force as modified in the manner specified; and that there are not existing

defaults, or if there are existing defaults, a description thereof. The statement shall also state the date to which the Rent has been paid in advance. The statement shall be such that it can be relied on by any auditor, creditor, banker of either party or by any prospective purchaser or encumbrancer of the Leased Premises, or of either Lessee's or Lessor's interest herein.

At the option of Lessor, failure to deliver the certificate within fifteen (15) days after written notice shall constitute a default under this Lease and Lessor thereafter may immediately pursue Lessor's rights under Article XI.

18.6 Exhibits: The Exhibits attached to this Lease are incorporated in full by this reference.

18.7 Additional Approvals. It is further agreed and understood that this Agreement must be submitted for approval to the Common Council of the City of Milwaukee and that the same must be approved and its execution authorized by the Common Council.

18.8 Broker's Fee: (Intentionally Omitted).

18.9 Interest on Repayments: Any sum owed by either party to the other under Article XI or XII shall bear interest at a rate equal to the prime rate of any bank selected by Lessor in which Lessor maintains accounts from the date of written demand for reimbursement until the date of payment in full. At their option, either party may deduct any such sum from any other amount due under this Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their duly authorized officers as of the _____ day of November, 2009.

LESSOR:
CITY OF MILWAUKEE

COUNTERSIGNED

By: _____
Jeffrey J. Mantes, Commissioner of Public Works

By: _____
W..Martin Morics, Comptroller

LESSEE:
CENTERCOURT 1118, LLC

By: _____

By: _____

151308

SCHEDULE OF EXHIBITS

| | |
|-------------|--------------------------------|
| Exhibit "A" | Description of Leased Premises |
| Exhibit "B" | Rent Schedule |
| Exhibit "C" | Sign Plans |
| Exhibit "D" | Intentionally Omitted |
| Exhibit "E" | Insurance |

EXHIBIT "A"

Description of Leased Premises

EXHIBIT "B"

Rent Schedule

Initial Term

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|-------------------------|------|----------|----------|----------|----------|-----------|-----------|-----------|
| Base Annual Rent | \$00 | \$75,000 | \$82,000 | \$90,000 | \$99,000 | \$109,000 | \$120,000 | \$132,000 |
| Per Mo. | \$00 | \$6,250 | \$6,833 | \$7,500 | \$8,250 | \$9,083 | \$10,000 | \$11,000 |
| Total | \$00 | \$56,250 | \$82,000 | \$90,000 | \$99,000 | \$109,000 | \$120,000 | \$132,000 |

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Base Annual Rent | \$139,000 | \$146,000 | \$153,000 | \$161,000 | \$169,000 | \$177,000 | \$186,000 |
| Per Mo. | \$11,583 | \$12,167 | \$12,750 | \$13,417 | \$14,083 | \$14,750 | \$15,500 |
| Total | \$139,000 | \$146,000 | \$153,000 | \$161,000 | \$169,000 | \$177,000 | \$186,000 |

EXHIBIT “C”

Sign Plans

(Exhibit “C” consists of Plans depicting existing on-premise signs. The Plans are on file with the City’s Department of Public Works.)

EXHIBIT 'D'

Intentionally Omitted

EXHIBIT “E”

Insurance

(Exhibit “E” consists of the insurance certificate on file with the City’s Department of Public Works.)