

ADMINISTRATIVE REPORT

DATE: January 18, 2024
TOPIC: #5.19 – Lease with Valley Creek Mall, LLC
PRESENTER: Dan Pyan, Executive Director of Finance and Operations
REFERENCE TO POLICY/STATUTE: Policy 701, 702

A. PURPOSE OF REPORT

- a. Presently South Washington County Schools Online High School and a portion of the SoWashCo Adult Basic Education (ABE) program utilize space as rental at the City of Woodbury Central Park facility.
- b. The City of Woodbury will be renovating the facility for 16 months and the school district will need to move its programs out of the facility.
- c. The SoWashCo Online High School and a portion of ABE will be renting space in the Valley Creek Mall for 16 months.
- d. No rent will be paid to the City of Woodbury during that period.

B. RECOMMENDATION

- a. Administration recommends approval of lease with Valley Creek Mall, LLC.

C. CONNECTION TO STRATEGIC PRIORITY

- a. Student Experience
- b. Student Pathways and Systemic Supports
- c. Operations, Staffing, and Finance



**VALLEY CREEK MALL
RETAIL LEASE**

BY AND BETWEEN

**Valley Creek Mall, LLC
(LANDLORD)**

AND

**South Washington County School District 833
(TENANT)**

DATA SHEET

As used in this Lease, the following capitalized terms will have the meanings set forth in this Data Sheet (the "Data Sheet"):

- (1) **"Retail Center"** means that Valley Creek Mall retail center and all related improvements located in the City of Woodbury, County of Washington, State of Minnesota, on the land legally described in Exhibit A attached hereto.
- (2) **"Premises"** means the Space Number 6 depicted on Exhibits B and C attached hereto (extending to the center line of the party walls and to the exterior faces of all other walls, as shown in on Exhibits B and C). For the purpose of this Lease, the Premises is deemed to contain 3,252 square feet of gross leasable area.
- (3) **"Initial Term"** means a lease term of one (1) year and four (4) months (See Article 2)
- (4) **"Commencement Date"** of this Lease means March 1, 2024.
- (5) **"Permitted Use"** means conducting and operating the business of conducting and operating an ancillary educational facility for youth job training for students between the ages of 14 and 21 ("**Permitted Use**"). (See Article 4)
- (6) **"Tenant Trade Name"** means South Washington County Schools Transaction Program (See Article 14)
- (7) **"Base Rent"** means the following amounts during the following periods (See Article 6):

Term			Per SF	Annual Base Rent	Monthly Base Rent
03/01/24	-	06/30/25	\$14.00	\$45,528.00	\$3,794.00

- (8) **"Tenant's Proportionate Share"** means a fraction, the numerator of which is the gross leasable area of the Premises, and the denominator of which is the gross leasable area of the Retail Center designated by Landlord for lease, excluding separately leased storage and parking areas, which may change from time to time. Tenant's Proportionate Share is presently estimated at 3.83%. The 2024 estimated Operating Costs (defined below) are \$8.83 per square foot of gross leasable area.
- (9) **"Security Deposit"** means an amount equal to \$6,186.93, which Tenant must pay to Landlord upon the execution of this Lease. (See Article 7)
- (10) **"Merchants' Association Contribution"** means an amount equal to N/A per year, which is paid in equal monthly installments. (See Article 11)
- (11) **"Tenant's Agent"** means None. (See Article 36)
- (12) **"Landlord Address"** means the following address or such other address as Landlord may designate in writing as set forth in Article 46 below:

Valley Creek Mall, LLC
c/o Wellington Management, Inc.
1625 Energy Park Drive, Suite 100
St. Paul, MN 55108

All Rent and other payments owed by Tenant, and all notices desired or required to be given to Landlord, must be sent to the Landlord Address, subject to the terms of Article 47.

- (13) **"Tenant Address"** means the following address or such other address as Tenant may designate in writing

South Washington County School District 833
7362 East Point Douglas Road South
Cottage Grove, MN 55016-3025
Federal ID # 41-6007788

All notices desired or required to be given to Tenant under this Lease must be sent to the Tenant Address subject to the terms of Article 46.

Each reference in the Lease to any of the data contained in this Data Sheet shall be construed to incorporate the data stated under that title.

Lease (Retail)

This Retail Lease (this "**Lease**") is dated January 4, 2024 (the "**Effective Date**"), by and between Valley Creek Mall, LLC, a Minnesota limited liability company ("**Landlord**") and South Washington County School District 833, ("**Tenant**") who will be occupying the Premises. Landlord and Tenant are individually referred to herein as a "**Party**" and collectively as the "**Parties**." The Parties agree as follows:

ARTICLE 1: PREMISES

Landlord hereby demises and leases to Tenant, and Tenant hereby rents and takes from Landlord, subject to and with the benefit of the terms, covenants, conditions and provisions of this Lease, the Premises, together with the appurtenances specifically granted in this Lease, but reserving and excepting to Landlord the use of the exterior walls and the roof and the right to install, maintain, use repair and replace pipes, ducts, conduits, wires and appurtenant fixtures leading through this Premises, provided such use does not unreasonably interfere with Tenant's Permitted Use.

ARTICLE 2: TERM

A. Term. The Initial Term will commence at 12:00 a.m. local time upon the Commencement Date and will expire at 11:59 p.m. local time on the last day of the Initial Term unless the Term is otherwise extended or renewed through mutual agreement of the Parties. The term "**Lease Year**" shall mean a twelve-month period commencing on the Commencement Date and on each annual anniversary thereafter. Reference to the "**Term**" in this Lease means the Initial Term together with all properly exercised extension and renewals thereto, and reference to the "**Expiration Date**" means the last day of the Term.

B. Delay in Commencement. If for any reason Landlord cannot deliver possession of the Premises to Tenant on the Scheduled Commencement Date, Landlord will not be subject to any liability for any such delay, nor will such failure affect the validity of this Lease or the obligations of Tenant hereunder. However, in such case, Tenant will have no obligation to pay rent until the Commencement Date. Upon Landlord's request, the Parties agree to execute in writing an amendment to certify the Commencement Date and the expiration of the Initial Term, but this Lease shall not be affected in any manner, if either Party fails or refuses such amendment.

C. Early Possession. If Landlord permits Tenant to occupy the Premises prior to the Commencement Date, such occupancy will be subject to all of the provisions of this Lease and Tenant will be obligated to pay a proportionate amount of Rent that would be due during the first month of the Initial Term together with all other charges that are payable by Tenant under this Lease in addition to any obligations which commence on the Commencement Date. Said early possession will not advance the Expiration Date.

ARTICLE 3: IMPROVEMENTS

A. Performance of Landlord's Improvements. Landlord shall improve the Premises in conformity with the plan attached as Exhibit D to this Lease (the "**Landlord Improvements**"). Such improvements specifically exclude trade fixtures, furnishings and equipment, telephone installation and equipment.

B. Performance of Tenant's Improvements. Tenant agrees that it will, proceeding with all reasonable diligence, perform the work, if any, described in Exhibit E as the responsibility of Tenant ("**Tenant's Improvements**") so as to ready the Premises for opening as expeditiously as possible and in accordance with good construction practices. No work may be done or fixtures or equipment installed by or on behalf of Tenant (1) without the express written approval of Landlord, or (2) in such manner as to interfere with Landlord and Landlord's other tenants. Tenant agrees to employ for such work one or more licensed, bonded and union contractors (unless Landlord waives such requirement in writing) whose labor must work in harmony with any other work being conducted in the Retail Center, to cause Tenant's contractors to carry Workers' Compensation insurance covering such contractors (and any applicable subcontractors) on or about the Premises and Retail Center in amounts at least equal to the limits set forth in Article 15.A, and to submit certificates evidencing such coverage to Landlord prior to the commencement of Tenant's Improvements.

By entering the Premises to commence Tenant's Improvements, Tenant will be deemed to have accepted the Premises (unless Tenant notifies Landlord to the contrary in writing within twenty-four (24) hours of entering the Premises) and acknowledged that Landlord has completed Landlord's Improvements, if any, under Exhibit D and to have agreed that the obligations of Landlord imposed hereunder have been fully performed to such date.

The provisions of this Section B of Article 3 also apply to any reconstruction, alterations, remodeling or improvements performed by Tenant.

C. Alterations. Any leasehold improvements, alterations, or additions installed within the Premises by Tenant (including but not limited to light fixtures and carpeting), are the property of Tenant until Tenant vacates the Premises, at which time title to such improvements will vest in Landlord. Except as expressly set forth herein, Tenant may not change or alter the exterior of the Premises or make any structural changes or alterations to the Premises or any part thereof without obtaining the prior written consent of Landlord.

ARTICLE 4: USE

A. Tenant shall occupy the Premises upon the Commencement Date, and thereafter will continuously operate in 100% of the Premises, for such hours of operation as may be determined by Landlord in its reasonable discretion in conformity with local retail real estate practice. Tenant shall at all times conduct its business in a reputable manner as a quality retail establishment in accordance with the standards of the City, and may not conduct any fire, bankruptcy, going out of business or auction sales, either real or fictitious. The Premises may not be used in a manner that would not be in accordance with any requirement of law or any public authority, Landlord has no obligation to make any addition or alteration to or in the Retail Center to accommodate Tenant's use or to meet any legal requirements applicable to Tenant's specific use. Landlord must approve in advance and in writing the installation and/or use of any vending machines.

B. The Premises may be used during the Term only for the Permitted Use and for no other purpose whatsoever without the prior written consent of Landlord. Tenant shall apply for all such licenses, permits and approvals necessary for it to conduct the Permitted Use within the Premises, and shall diligently pursue such applications, and take all reasonable actions within its control to obtain such licenses, permits and approvals. The obtaining and retaining of such licenses shall be Tenant's sole responsibility, the failure of which shall be deemed a default hereunder.

C. Tenant must comply, at its sole cost and expense, with all applicable federal, state, or local law, ordinance, rule, or regulation in connection with its use and enjoyment of the Premises and its operation therein (including any applicable ADA requirements).

D. Landlord makes no representation or warranty as to the identity or composition of other tenants in the Retail Center, and said tenants may be changed from time to time without any notice to Tenant.

E. Tenant shall conduct the Permitted Use in the Premises in such a manner that Tenant's invitees and patrons shall not collect, line up, loiter or linger outside of the Premises, but shall be entirely accommodated within the Premises.

F. Tenant acknowledges and is aware of existing tenant exclusivities impacting the Retail Center and as further described in Exhibit F (the "**Restricted Uses**"). Tenant agrees to only undertake its Permitted Use in the Premises and will not operate for any other use, including without limitation, any business concepts which would violate current Restricted Uses.

ARTICLE 5: RESERVED

ARTICLE 6: RENT

Tenant covenants and agrees to pay to Landlord during the Term, without deduction or demand, at the Landlord Address the following amounts:

A. Base Rent. Commencing on the Commencement Date Tenant shall pay in advance on or before the first day of each month the Base Rent. Should Tenant's obligation to pay Rent (defined below) under this Lease commence on a day other than the first day of a calendar month, then the Base Rent payment for such partial month will be equal to the product obtained by multiplying the number of days in the partial month by a fraction, the numerator of which is the applicable annual Base Rent amount and the denominator of which is 365. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly Rent (defined below) due herein will be deemed to be other than on account of the earliest scheduled Rent, nor will any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy set forth in this Lease.

B. Operating Costs. Commencing on the Commencement Date Tenant shall pay in advance on or before the first day of each month Tenant's Proportionate Share of Operating Costs as is required by Article 8 below.

C. Other Charges. Tenant shall pay all other charges, sums or amounts permitted to be imposed against it under any other Article of this Lease concurrently with the next succeeding installment of monthly Base Rent following notice of the same, unless a different time for such payment is specified in this Lease.

D. Late Charge; Interest. In the event any portion of Rent or other charges owed by Tenant under this Lease are not received by Landlord by the fifth (5th) day following the date such amounts are due ("Grace Period"), (1) Tenant shall pay to Landlord immediately upon request by Landlord a late service fee of 10% of any amount outstanding after the Grace Period as compensation to Landlord for administrative costs, and (2) the unpaid balance due Landlord will bear interest at the Interest Rate from the date such installment became due and payable to the date of payment thereof by Tenant, and such interest will constitute additional Rent hereunder which will be immediately due and payable. The "Interest Rate" is the lesser of: the maximum rate permitted by law; and four (4) points over the rate of interest publicly announced from time to time by Wells Fargo Bank Minnesota N.A. as its "prime rate", "base rate" or "reference rate", (or if more than one exist, whichever is highest) each change in the interest rate hereunder to become effective on the date the corresponding change in such prime rate becomes effective.

E. NSF Fees. In the event Tenant's check for rent owed under the Lease is returned by Tenant's bank for non-sufficient funds, Tenant must pay an NSF fee equal to the maximum amount allowed by the State of Minnesota. At Landlord's request, Tenant may be required to pay all future payments in the form of a cashier's check or money order only.

F. Rent. The term "Rent", as used herein, means the amounts set forth in Subsections A. through E. above, together with any other amounts due from Tenant hereunder.

ARTICLE 7: SECURITY DEPOSIT

A. Tenant shall deposit with Landlord upon Lease execution the sum designated as the Security Deposit as security for the full and faithful performance by Tenant of all obligations of Tenant under this Lease or in connection with this Lease. If Tenant commits any Event of Default pursuant to Article 23 of this Lease, Landlord may use, apply or retain all or any part of the Security Deposit for the payment of (1) any Rent or any other sum of money which Tenant was obligated to pay but did not pay, (2) any sum expended by Landlord on Tenant's behalf in accordance with the provisions of this Lease, or (3) any sum which Landlord may expend or be required to expend as a result of the Event of Default, including any damages or deficiency in the reletting of the Premises in accordance with Article 23 of this Lease. The use, application or retention of the Security Deposit or any portion thereof by Landlord will not prevent Landlord from exercising any other right or remedy provided for under this Lease or at law and will not limit any recovery to which Landlord may be entitled otherwise. If Landlord applies all or part of the Security Deposit as permitted by this Article, then Tenant must pay a sufficient amount of cash to restore the Security Deposit to the original sum deposited within five (5) days after demand by Landlord.

B. The Security Deposit will bear no interest. If legally permissible, Landlord will be entitled to commingle the Security Deposit with Landlord's other funds.

C. If Tenant complies with all of the provisions of this Lease, the Security Deposit or any balance thereof shall be returned to Tenant within thirty (30) days after the Expiration Date or upon any later date after which Tenant has vacated the Premises. In the absence of evidence satisfactory to Landlord of any assignment of the right to receive the Security Deposit or remaining balance thereof, Landlord may return the Security Deposit to the original Tenant, regardless of one or more assignments of Tenant's interest in the Security Deposit. In such event, upon the return of the Security Deposit (or balance thereof) to the original Tenant, Landlord will be completely relieved of liability with respect to the Security Deposit.

D. In the event of a transfer of Landlord's interest in the Premises, Landlord has the right to transfer the Security Deposit to the transferee of Landlord's interest. In such event Landlord will be deemed released by Tenant from all liability for the return of the Security Deposit; and Tenant agrees to look solely to the transferee for the return of the Security Deposit.

E. The Security Deposit may not be mortgaged, assigned or encumbered by Tenant. No mortgagee, trustee under a deed of trust, or any other purchaser at any foreclosure sale of the Retail Center and/or the Premises will be liable for the return of the Security Deposit.

ARTICLE 8: PROPORTIONATE SHARE OF OPERATING COSTS

A. Tenant must pay to Landlord during the Term of this Lease Tenant's Proportionate Share of Operating Costs (defined below). As frequently hereafter as Landlord deems appropriate, Landlord may give Tenant notice of Landlord's estimate of Operating Costs for the then-current calendar year ("Estimated Operating Costs"). Tenant shall pay on the first day of each calendar month during the Term one-twelfth (or a prorata portion thereof for partial months) of Tenant's Proportionate Share of Estimated Operating Costs. If requested in writing by Tenant, within ninety (90) days after the expiration of each calendar year

Landlord shall submit to Tenant a statement setting forth the actual Operating Costs of the Retail Center for such calendar year ("**Actual Operating Costs**") and the aggregate of Tenant's payments of Estimated Operating Costs for such year. In the event the aggregate of Tenant's payments of Estimated Operating Costs does not equal Tenant's Proportionate Share of Actual Operating Costs as shown on such statement, then Tenant shall promptly pay Landlord any deficiency, or Landlord, upon receipt of such annual statement, shall issue to Tenant a credit invoice for such excess, as the case may be. Tenant may apply such credit invoice to any payments next owing by Tenant under this Lease. Each statement furnished by Landlord hereunder will constitute a final determination upon Tenant unless Tenant gives written notice to Landlord within sixty (60) days after delivery thereof that Tenant disputes the accuracy of Landlord's statement, which notice must specify in reasonable detail the inaccuracies of the statement. If Landlord receives such notice, Landlord will in good faith review details of such notice and promptly respond to Tenant and any necessary adjustments will be made.

B. As used herein "**Operating Costs**" means all costs which Landlord incurs in owning, maintaining, managing, and operating the Retail Center including (without limitation): all Taxes, the costs of heat, cooling, lighting, utilities, insurance (including liability insurance for personal injury, death and property liability, insurance against fire, theft or other casualties and rent insurance for business interruption), inspections, security, painting, striping, landscaping, sewer and drainage costs, janitorial and cleaning services; snow, ice and surface water removal, the cost of electronic intrusion and fire control devices and telephonic alert system devices, all employment costs including salaries, wages workers' compensation insurance, and fringe benefits (including the cost of uniforms as applicable), fidelity bonds for arrest occurring in and about the Common Area, regulation of traffic, fees for permits, program services and loudspeaker systems, all cost and expenses of replacement of paving, curbs, sidewalks, walkways, roadways, bicycle and pedestrian paths parking surfaces, all management fees for the year in question, expenses reimbursable to any manager and rental of property management office; fees for professional services; charges under maintenance and service contracts; all supplies purchased for use in the Retail Center; all maintenance and repair costs; any equipment rental; amortization of the cost of capital improvements made subsequent to the Effective Date. Any major capital improvements to the Retail Center, including but not limited to total replacement of asphalt pouring and the replacement cost of any HVAC unit, shall be amortized over the useful life of such improvement and such amortized amount will be included in the calculation of Operating Costs. Such costs and expenses may not include any initial construction costs of a capital nature nor profit or interest on Landlord's investment, but shall include the acquisition cost (rental fees and/or purchase price or in lieu of purchase price, the annual depreciation allocable thereto) of machinery and equipment used in connection with the maintenance and operation of the Common Area.

C. As used herein "**Taxes**" means: (1) all taxes and assessments against the land, building or improvements comprising the Retail Center that are levied or assessed by any lawful authority during each calendar year; (2) all taxes or other governmental impositions that are assessed by the United States government, the government of the State of Minnesota, or any other authority possessing jurisdiction and authority to impose a tax (i) against rent (however defined by such authority) other than income taxes, (ii) against the Retail Center, and/or (ii) in lieu of real estate taxes or special assessments; and (3) all costs and expenses incurred by Landlord during negotiations for or contests of the amount of any of the foregoing (provided that Landlord must credit any refund actually received by Landlord that is attributable to prior Taxes paid by Tenant against future payments of Operating Costs).

D. Landlord may at its option by thirty (30) days' prior written notice to Tenant change its accounting year hereunder from the calendar year to a fiscal year, making such adjustments from the end of the last calendar year to the commencement of the first full fiscal year as is appropriate pursuant to generally accepted accounting principles. Upon such change, references in this Section to a calendar year will be deemed to be references to a fiscal year.

E. In the event Landlord is required under any mortgage covering the Retail Center to escrow Taxes, Landlord may, but will not be obligated to, use the amount required to be so escrowed as a basis for the Estimated Operating Costs.

F. In addition to the foregoing, Tenant at all times shall be responsible for and shall pay, before delinquency, all taxes levied, assessed or unpaid on any leasehold interest, any right or occupancy, any investment of Tenant in the Premises or any personal property or fixtures of any kind owned, installed or used by Tenant including Tenant's leasehold improvements or on Tenant's right to occupy the Premises.

ARTICLE 9: COMMON AREA

A. The term "**Common Area**" means the entire areas designated from time to time by Landlord for common use or benefit for the occupants of the Retail Center including, but not by way of limitation, parking lots, landscaped and vacant areas, passages for trucks and automobiles, roads, bicycle and pedestrian trails, retaining walls, curbs, sidewalks, shelters, loading docks, storm water ponds and pipes, monument/pylon signage, trash enclosures, and all other appurtenant facilities. Subject to reasonable, nondiscriminatory rules and regulations to be promulgated by Landlord, the Common Area is hereby made available to Tenant and its employees, agents, customers, invitees for their reasonable nonexclusive use in common with other Tenants, their employees, agents, customers, invitees, and Landlord for the purposes for which constructed. Landlord shall have the right to change the location and arrangement of parking areas and other Common Area; to enter into, modify and terminate easements and other

agreements pertaining to the use and maintenance of the Common Area; to construct surface or elevated parking areas and facilities; to establish and change the level of parking surfaces; to close all or any portion of the Common Area to such extent as may, in the opinion of Landlord's counsel, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein; to close temporarily any or all portions of the Common Area; and to do and perform other such acts in and to said areas and improvements as, in the exercise of good business judgment, Landlord determines to be advisable with a view to the improvement of the convenience and use thereof by tenants, their officers, agents, employees and customers. Landlord may require the payment to it of a reasonable fee or charge by the public for the use of all or part of the Common Area, which may be by meter or otherwise and in such event the net fees or charges derived there from by Landlord shall be credited against Common Area costs and expenses.

Tenant and its employees shall park their cars only in those portions of the Common Area designated from time to time for that purpose by Landlord. If Tenant or its employees fail to park their cars in the designated area, Landlord will have the right to either: (1) charge Tenant ten dollars (\$10.00) per day per car parked in any Common Area other than those designated; or (2) tow such car at Tenant's expense.

B. Landlord shall operate and maintain the Common Area or shall cause the same to be operated and maintained in a manner deemed by Landlord reasonable, appropriate and for the best interests of the occupants of the Retail Center.

ARTICLE 10: UTILITY, HVAC, AND TRASH COLLECTION SERVICES

A. Telephone, Electricity, Gas, Water and Sewer. Landlord agrees to cause mains, conduits and other facilities to be provided (in accordance with the provisions of Article 3A hereof) which are capable of supplying telephone, electricity, gas, water and sewer service to or close to the Premises. Tenant, at its own expense and with equipment installed in accordance with specifications approved in writing by Landlord shall heat or chill the water to meet its own requirement, if any, prior to any such installation. Tenant shall pay for all telephone, electricity, gas, water and sewer service (including SAC/WAC fees) used in the Premises. If Landlord elects to supply any utility services to the Premises, or if said services are invoiced to Tenant through Landlord, Tenant shall accept and use the same as tendered by Landlord and pay therefore at the applicable rates that are charged by Landlord (subject to applicable regulations or laws that are in effect), provided that such rates must be similar to rates charged by landlords at similar buildings within the same geographic area as the Retail Center. Tenant hereby acknowledges the limits of the design standard of the electrical service to be furnished to the Premises and if additional capacity or wiring is required by Tenant's intended use, Landlord, after approving the same, shall install such additional capacity or wiring at Tenant's expense.

B. Heating, Air Conditioning and Ventilating. Landlord may include in the calculation of Operating Costs all costs associated with the maintenance, repair, and/or replacement of any heating, ventilation and air-conditioning system (each, a "HVAC System") used at the Retail Center (subject to the terms of Article 8.B above). If any HVAC System exclusively serves the Premises, Landlord may either obligate Tenant, at Tenant's sole cost and expense, to maintain a service contract to maintain, repair, and if necessary, replace such HVAC System, or Landlord may undertake such activities and charge Tenant for all costs and expenses incurred by Landlord in connection with any such maintenance or replacement in order to reduce energy consumption. If Tenant fails to maintain the necessary contract, or fails to undertake the foregoing obligations, Landlord may, after applicable notice and cure periods (or without notice or cure in case of emergency), perform Tenant's obligations at Tenant's expense. Tenant acknowledges and agrees that all costs or expenses associated with the maintenance, repair, and/or replacement of any HVAC System that exclusively serves the Premises are the sole responsibility of Tenant, and Tenant must reimburse Landlord for any such costs or expenses with the next monthly Rent payment that is due after Landlord presents Tenant with an invoice for any such costs or expenses. Tenant further acknowledges that the cost of service due to mechanical failure or comfort adjustments beyond that covered in routine maintenance and any warranty period will be at the sole cost of Tenant. Tenant acknowledges that specific mechanical equipment or other requirements that Tenant may require will be the sole responsibility and cost of Tenant.

C. Trash Collection Services. Landlord assumes no responsibility for collection and/or disposal of Tenant's trash or recyclables. Tenant must arrange and pay for all such disposal at locations specified by Landlord. Landlord, however, reserves the right to require Tenant to dispose of all trash and recyclables at a common dumpster or trash compactor location at the Retail Center. If Landlord so requires, Tenant shall pay its pro-rata share of all costs incurred by Landlord for trash collection and disposal services based on Landlord's determination of an appropriate cost allocation formula.

D. Interruption of Service. Landlord shall not be liable in damages or otherwise if the furnishing by any supplier of any utility service or other service to the Premises shall be interrupted or impaired by fire, accident, riot, strike, act of God, the making of necessary repairs or improvements or by any causes beyond Landlord's control.

E. Energy Shortage. Should it become necessary because of directives of public authorities or the passage of laws or ordinances to reduce energy consumption within the Retail Center, Tenant will reduce its energy consumption in accordance with such directives, laws or ordinances.

ARTICLE 11: MERCHANTS' ASSOCIATION

If Landlord so requests, Tenant shall join an association of tenants in the Retail Center known or to be known as a merchants' association. The purpose of the merchants' association includes the promotion of the Retail Center. Tenant shall pay the Merchants' Association Contribution monthly together with each monthly payment of Rent.

ARTICLE 12: FIXTURES

A. All trade fixtures owned by Tenant and installed in the Premises will remain the property of Tenant and may be removed at any time prior to the expiration of the Term so long as no Event of Default has occurred and is continuing at the time that such trade fixtures are removed. Tenant must repair any damages to the Premises caused by the removal of any fixtures. If Tenant has committed an Event of Default at any time, Tenant may not remove any such trade fixtures until such Event of Default is cured.

B. Upon request by Landlord, Tenant must remove prior to the expiration of the Term some or all trade fixtures, Tenant's Improvements, or any other additions or alterations that are made to the Premises by Tenant or at the direction of Tenant.

ARTICLE 13: CARE OF THE PREMISES

A. Tenant must: (a) keep the inside and outside of all glass in the doors and windows of the Premises clean; (b) keep all exterior store front surfaces of the Premises clean; (c) shovel all snow from the sidewalk in front of the Premises and apply sand and snow melting chemicals, as needed; (d) replace promptly, at its expense, any broken door closers and any cracked or broken glass of the Premises, including store fronts with glass of like kind and quality; (e) maintain the Premises, at its expense, in a clean, orderly and sanitary condition and free of all insects, rodents, vermin and other pests; (f) keep any garbage, trash, rubbish or refuse removed at its expense on a regular basis and temporarily stored in the Premises in accordance with local codes; (g) keep all mechanical, electrical and plumbing apparatus in good repair and free of vibration and noise which may be transmitted beyond the Premises; (h) comply with all laws, ordinances, rules and regulations of governmental authorities and all recommendations of the Insurance Services Office and/or Landlord's insurance carrier now or hereafter in effect, including without limitation all reporting requirements and delivery of consent to disclosure utility usage for compliance with Minneapolis Code of Ordinances Title 3, Chapter 47, Section 47.190 (in Minneapolis), St. Paul Code of Ordinances Title XXXI, Chapter 440, or similar energy bench marking ordinances and regulations; (i) light the show windows of the Premises and exterior signs until one-half (1/2) hour after the closing of the Retail Center and replace promptly all light bulbs and tubes when no longer serviceable; (j) conduct its business in all respects in a dignified manner in accordance with high standards of the store operation in the Retail Center, and (k) except as otherwise provided in this Article, otherwise keep and maintain and repair the Premises and fixtures and equipment located therein in a first class, properly functioning, safe and orderly condition, and will make all necessary replacements thereto, to keep it in the same order and condition in which they were on the Commencement Date, or in such better condition as they may hereafter be put, and in accordance with all laws, directions, rules and regulations applicable to the Premises. Tenant may not, without the written consent of Landlord, place or maintain any merchandise or other articles in any vestibule or entry of the Premises or outside of the Premises; use or permit the use of any loudspeakers, public address systems, flashing, moving and/or rotating lights, sound amplifiers, radio or broadcasts systems; solicit business or distribute advertising material within the Retail Center; permit the parking of delivery vehicles so as to interfere with the use of any driveway, walk, parking area, or other Common Area in the Retail Center; or receive or ship articles of any kind except through service facilities designated by Landlord. Tenant will not allow noise or odor of any kind to leave its Premises as to annoy or be offensive to other tenants. If Tenant refuses or neglects to commence repairs, replacements, or necessary maintenance tasks within ten (10) days after written demand, or fails to complete such repairs or maintenance tasks within a reasonable time thereafter, Landlord may undertake the repairs, replacements, or maintenance without liability to Tenant for any loss or damage that may accrue to Tenant's stock or business by reason thereof, and if Landlord undertakes such repair, replacement, or maintenance, Tenant shall pay to Landlord the costs thereof with interest together with the immediately succeeding monthly Rent payment that is due after Tenant receives notice of the costs incurred by Landlord.

B. Landlord shall keep or cause to be kept the foundations, the four outer walls, the roof, downspouts and gutters of the building of which the Premises are a part and, to the extent Tenant or other tenants are not obligated to maintain the same, all utility systems, lines, conduits and appurtenances thereto located within the Retail Center in good repair, ordinary wear and tear excepted; provided however, if the need for such repair is directly or indirectly attributable to or results from the business activity being conducted within the Premises or the intentional or negligent misconduct of Tenant its employees, officers, directors, agents, or invitees, then in such case, Tenant agrees to reimburse Landlord for all costs and expenses incurred by Landlord with respect to such repair. Subject to the provisions of Articles 19 and 20A hereof, Landlord shall commence repairs it is required to do hereunder as soon as reasonably practicable after receiving written notice from Tenant of the necessity of such repairs.

C. Tenant will not paint or decorate any part of the exterior of the Premises, including store fronts, or any part of the interior visible from the exterior thereof or post any signs to any portion of the Premises, or display any signs attached to show windows or within three (3) feet of the lease line of the Premises without obtaining Landlord's written approval.

D. Tenant may not use, and Tenant must direct its employees, agents, and invitees to not use, the plumbing facilities for any purposes other than that for which they are constructed and no foreign substance of any kind may be thrown therein, and the expense of any breakage, stoppage, or damage resulting from a violation of this provision shall be borne by Tenant.

E. Tenant will repair promptly, at its expense, any damage to the Premises or any other improvements within the Retail Center: (1) caused by Tenant or anyone claiming by or through Tenant or damage as the result of a burglary in or to the Premises, including without limitation, any governmental fees or fines charged to the Premises for the same; or (2) caused by the installation or removal of Tenant's property, regardless of fault or by whom such damage is caused, unless caused by Landlord, its agents, employees or contractors. If Tenant fails to make the necessary repairs, Landlord may make the same and Tenant agrees to pay the cost thereof to Landlord.

F. Landlord has the exclusive right to use all or any part of the roof of the Premises or any additions thereto for any purpose; to erect additional stories or other structures over all or any part of the Premises; to erect in connection with the construction thereof temporary scaffolds and other aids to construction on the exterior of the Premises, provided that access to the Premises may not be denied; and to install, maintain, use, repair and replace within the Premises pipes, ducts, conduits, wires and all other mechanical equipment serving other parts of the Retail Center. Landlord may make any use it desires of the exterior of the side or rear walls of the Premises, provided that such use may not encroach on the interior of the Premises.

ARTICLE 14: USE OF TRADE NAME

Tenant's Trade Name may not be changed without Landlord's prior written approval, which approval may not be unreasonably withheld. Tenant agrees to operate and do business in the Premises, and that all signs and advertising shall be under, Tenant's Trade Name. Tenant agrees that Landlord's name or the name of the Retail Center may not be used without the prior written consent of Landlord.

ARTICLE 15: INSURANCE

A. Tenant's Insurance. Tenant agrees to carry, during the term hereof, the following insurance:

1. Public Liability Insurance. During the term hereof, Tenant shall keep in full force and effect, at its expense, a policy or policies of public liability insurance with respect to the Premises and the business of Tenant and any approved sub-tenant, licensee or concessionaire, with companies licensed to do business in Minnesota with limits of liability not less than \$1,000,000 for injury or death to any one person: \$2,000,000 for injury or death to more than one person and \$1,000,000 with respect to damage to property and which will include independent contractors coverage. Tenant shall furnish Landlord with certificates naming **Valley Creek Mall, LLC, Landlord and Wellington Management, Inc.**, as Additional Insured's evidencing that such insurance is in effect stating that Landlord shall be notified in writing (30) days prior to cancellation, material change or non-renewal of insurance.
2. Workers Compensation. If during the Term hereof the nature of Tenant's operation is such as to place any or all of its employees under the coverage of local Worker's Compensation or similar statutes, Tenant shall also keep in full force, Worker's Compensation or similar insurance affording statutory coverage containing statutory limits. At the written request of Landlord, Tenant agrees to furnish to Landlord evidence of Worker's Compensation coverage.
3. Property Insurance. During the term hereof, Tenant shall keep in full force and effect, at its expense, a policy or policies of property insurance, covering the contents of the Premises and all alteration, additions, and leasehold improvements made thereto, in the amount of their full replacement value. Such property insurance shall provide coverage for causes of loss resulting from RISKS OF DIRECT PHYSICAL LOSS as described in the standard form of insurance "Causes of loss-special form" or its equivalent. Tenant's policies of property insurance required herein, or certificate evidencing the existence and amounts of such insurance shall be provided to Landlord. Such policies shall contain a provision stating that Landlord shall be notified in writing (30) days prior to cancellation, material change or non-renewal of insurance.
4. Plate Glass Insurance. Tenant shall keep all plate glass of the Premises insured against all risks for the benefit of Landlord and Tenant.

If Tenant fails to procure and maintain such insurance, Landlord may, but shall not be required to, procure and maintain the same, but at the expense of Tenant, which expense will become additional rent hereunder. Tenant shall deliver to Landlord, prior to occupancy, copies of policies of all insurance's required herein or certificates evidencing the existence and amounts of such insurance. Tenant may use blanket insurance coverage to satisfy the requirement.

B. Landlord's Insurance. Landlord agrees to carry, during the Term hereof, insurance for fire and Extended Coverage

insuring the Retail Center, including the Premises and all appurtenances thereof (except Tenant's merchandise, trade fixtures, furnishings, operating equipment and personal property, wall coverings, carpeting and window coverings) for the full insurable value thereof. Deductibles for all Landlords' insurance required herein will be determined solely by Landlord. Landlord may also carry rent insurance as part of its total insurance coverage, the cost of which may be included in the calculation of Operating Costs.

Tenant may not do or suffer to be done or keep or suffer to be kept, anything in, upon or about the Premises which will contravene Landlord's policies insuring against loss or damage by fire or other hazards (including, without limitation, public liability) or which will prevent Landlord from procuring such policies in companies acceptable to Landlord. If anything done, omitted to be done or suffered to be done by Tenant or kept or suffered by Tenant to be kept in, upon or about the Premises causes the rate of fire or other insurance on the Premises or other property of Landlord in companies acceptable to Landlord to be increased beyond the minimum rate from time to time applicable to the Premises for the use permitted under this Lease or to any other property for the use or uses made thereof, Tenant will pay the amount of any increase.

C. Waiver of Subrogation. Landlord and Tenant hereby release each other from, and covenant that neither will be liable to the other, the other's insurance carrier or carriers, or anyone claiming under or through the other, for all liability for loss or damage whatsoever occasioned to property owned by the Parties which is caused by, or might be incident to, or may be the result of, fire, or any other casualty against loss for which either Party is covered by fire, extended coverage, or other insurance policies, to the extent of such coverage, regardless of the cause of, or origin of, such loss or damage, specifically including the negligence of the other Party, the other's agents, employees, invitees, or guests. The foregoing waiver of subrogation will not be applied, nor bar recovery, by either Party from its own insurance carrier or carriers of any benefits which would otherwise be payable under any such policy of insurance.

ARTICLE 16: TENANT INDEMNITY

Tenant shall indemnify and save harmless Landlord against all liabilities, damages, claims, fines, penalties, costs and other expenses, including, all attorneys' fees and costs, which may be imposed upon, incurred by, or asserted against Landlord by reason of all of the following: (a) any use or condition of the Premises or any part thereof; (b) any personal injury or property damage occurring on the Premises; (c) any negligence on the part of Tenant, its agents, contractors, licensees or invitees; (d) any failure to comply with any requirement of any governmental authority; (e) any prosecution or defense of any suit or other proceeding in discharging the Premises or any part thereof from any liens, judgments or encumbrances created upon or against the same or against Tenant's leasehold estate; (f) any proceedings in obtaining possession of the Premises after the termination of this Lease by forfeiture or otherwise; (g) any litigation commenced by or against Tenant to which Landlord is made a party without any fault on the part of Landlord; and (h) any failure on the part of Tenant to perform or comply with any covenant or agreement required to be performed or complied with by Tenant hereunder.

ARTICLE 17: MECHANIC'S LIENS

Tenant agrees to promptly pay for all labor, services, materials, supplies or equipment furnished or alleged to have been furnished to Tenant in, at, or about the Premises, or furnished to Tenant's agents, employees, contractors or subcontractors, which may be secured by any mechanics, material men, suppliers, or other type of lien against the Premises or Landlord's interest therein. If any such or similar lien is filed, Tenant shall within twenty-four (24) hours of receipt thereof, deliver notice to Landlord of such lien and Tenant shall within ten (10) days after receiving notice of the filing of the lien, discharge such lien, or provide Landlord with a bond or other security acceptable to Landlord in an amount equal to one hundred twenty-five percent (125%) of the lien. Failure of Tenant to discharge the lien or provide acceptable security therefore will constitute an immediate Event of Default under this Lease and in addition to any other right or remedy of Landlord, Landlord may, but is not obligated to, discharge the same of record by paying the amount claimed to be due, and the amount so paid by Landlord and all costs and expenses incurred by Landlord therewith, including reasonable attorneys' fees, shall be due and payable by Tenant to Landlord.

ARTICLE 18: ASSIGNMENT OR SUBLETTING

A. Tenant agrees not to sell, assign, mortgage, pledge, franchise or in any manner transfer this Lease or any estate or interest thereunder and not to sublet the Premises or any part thereof and not to permit any licensee or concessionaire therein (each, a "Transfer") without the previous written consent of Landlord, which consent may be withheld or conditioned as determined by Landlord in its commercially reasonable discretion. In no event will any Transfer by Tenant of this Lease operate to release Tenant, or any guarantor of Tenant, of its obligation for performance under this Lease or the applicable guaranty. Consent by Landlord to one Transfer will not be a waiver of Landlord's rights under this Article as to any subsequent Transfer. This prohibition includes any Transfer that would otherwise occur by operation of law.

B. Tenant acknowledges and agrees that the following factors are the minimum conditions for approving any such Transfer:

1. Financial strength of the proposed sub-tenant/assignee must be at least equal to that of the existing Tenant;

2. Business reputation of the proposed sub-tenant/assignee must be in accordance with generally acceptable commercial standards;
3. The proposed sub-tenant/assignee must undertake the Permitted Use at the Premises;
4. Managerial and operational skills and experience of the proposed sub-tenant/assignee must be the same as those of the existing Tenant;
5. Use of the Premises by the proposed sub-tenant/assignee will not violate or create any potential violation of any laws; and
6. Use of the Premises will not violate any other agreements affecting the Premises or Retail Center, Landlord or other tenants.

Any Transfer in violation of this Lease will be void and without effect, unless Landlord, at its option to be exercised in its sole discretion by giving notice no later than thirty (30) days after learning of the Transfer, subsequently consents to the Transfer. Tenant shall reimburse Landlord for all reasonable expenses incurred with respect to considering any request for consent to a Transfer, including, but not limited to, attorney's fees and costs, lender approval fees, and up to a \$1,500 management expense for each requested Transfer.

C. Landlord's rights to assign this Lease are and will remain unqualified. Upon any sale of the Premises and provided the purchaser assumes all obligations under this Lease, Landlord will thereupon be entirely freed of all obligations of Landlord hereunder and will not be subject to any liability resulting from any act or omission or event occurring after such conveyance. Upon the sale or other transfer of Landlord's interest in this Lease, Tenant agrees to recognize and attorn to such transferee as Landlord, and Tenant further agrees to execute and deliver a recordable instrument in the form requested by Landlord setting forth the provisions of this paragraph.

ARTICLE 19: EMINENT DOMAIN

A. If the whole or any part of the Premises is taken under the power of eminent domain, this Lease will terminate as to the part so taken on the date of taking ("**Taking Date**"). Tenant is required to yield possession thereof to the condemning authority. Landlord shall make such repairs and alterations as may be necessary in order to restore the part not taken to a useful condition. If the amount of the Premises so taken substantially impairs the ability of Tenant to undertake the Permitted Use, either Party may, by notice to the other delivered at least sixty (60) days prior to the Taking Date, terminate this Lease as of the Taking Date.

B. If more than thirty percent (30%) of the Common Area is taken by eminent domain, either Party may, by notice to the other delivered on at least sixty (60) days prior to the Taking Date, terminate this Lease as of the Taking Date.

C. The term "eminent domain" includes the exercise of any similar governmental power and any purchase or other acquisition in lieu of condemnation. All compensation awarded by any governmental authority or quasi-governmental authority in connection with any taking will belong to and be the property of Landlord, provided, however, that Landlord is not entitled to any separate award made to Tenant for relocation or moving expenses incurred by Tenant.

ARTICLE 20: DAMAGE TO PREMISES

A. If the Premises are damaged by fire or other casualty insured under the coverage which Landlord is obligated to carry pursuant to Article 15B hereof (a "**Casualty**"), Landlord shall, subject to being able to obtain all necessary permits and approvals therefore within one hundred eighty (180) days of such casualty, and provided Landlord has not terminated this Lease pursuant to Article 20C hereof, commence to repair, reconstruct and restore the Premises to the condition in which they were immediately prior to the happening of such casualty (except for the items Tenant is responsible to repair or replace pursuant to Article 20B hereof) and prosecute the same diligently to completion. If the Premises is rendered partially or totally untenable as a result of such casualty, then to the extent the Premises is rendered untenable, the annual Base Rent will be proportionately abated until Landlord has completed such repair, reconstruction or restoration.

B. In the event Landlord is required or elects to repair, reconstruct or restore the Premises, Tenant agrees to repair or replace its merchandise, trade fixtures, furnishings, operating equipment and personal property, including wall coverings, carpeting and window covering, as soon as possible after the occurrence of such casualty to at least a condition equal to that prior to its damage or destruction. In no event is Landlord liable for interruption to the business of Tenant or for damage to or repair, reconstruction or restoration of any items belonging to Tenant or within the Premises.

C. Landlord shall have the option to terminate this Lease upon giving written notice to Tenant of the exercise thereof within forty-five (45) days after the occurrence of a Casualty, if the Casualty occurs within the last three (3) years of the Term.

D. If any Casualty renders twenty percent (20%) or more of square footage of the Retail Center designated by Landlord for occupancy by its tenants untenable, or if Landlord cannot obtain all necessary permits and approvals for the repair, reconstruction and restoration of the Premises within the period permitted under Article 20A hereof, or if the loss is not fully insured or Landlord's lender requires that proceeds be used to pay down the loan, then Landlord may terminate this Lease upon giving written notice to Tenant of the exercise thereof within forty-five (45) days after the occurrence of such event or lapse of time, as the case may be.

E. If any lender of Landlord requires that all or any portion of the insurance proceeds attributable to any Casualty be applied to pay down any loan owed by Landlord, Landlord has the right to terminate this Lease by providing Tenant with notice of such termination within thirty (30) days after Landlord receives notice from its Lender of the application of such insurance proceeds.

F. Upon any termination of the Lease under the provisions of this Article, the Rent imposed under this Lease will be adjusted as the date of such termination and the Parties will be released thereby without further obligation to the other Party coincident with the surrender of possession of the Premises to Landlord, except for items which have been theretofore accrued and are then unpaid, and except for obligations which are designated as surviving such termination.

ARTICLE 21: SURRENDER OF PREMISES; HOLDING OVER

A. This Lease will terminate on the Expiration Date without the necessity of any notice from either Landlord or Tenant to terminate the same, and Tenant hereby waives notice to vacate the Premises and agrees that Landlord is entitled to the benefit of all provisions of law respecting the summary recovery of possession of Premises from a tenant holding over to the same extent as if statutory notice had been given. For the period of six (6) months prior to the expiration of the Term, Landlord has the right to display on the exterior of the Premises (but not in any window or doorway thereof) the customary sign "For Rent", and during such period Landlord may show the Premises and all parts thereof to prospective tenants during normal business hours.

B. On the last day of the Term Tenant shall peaceably and quietly surrender the Premises broom-clean and in the same condition as the Premises was in upon delivery of possession thereto under this Lease, reasonable wear and tear excepted. Subject to the provisions of Article 12 herein, on or before the last day of the Term, Tenant shall remove its voice and data cabling, all trade fixtures and signage, both interior and exterior, from the Premises and repair any damage occasioned by any such removal. Property not so removed will be deemed abandoned by Tenant and Tenant must reimburse Landlord on demand for all costs and expenses incurred by Landlord in connection with removing such abandoned property. If the Premises are not surrendered at such time, Tenant shall indemnify Landlord against the loss or liability resulting from delay by Tenant in not surrendering the Premises upon the expiration of the Term, including without limitation, any consequential damages resulting therefrom and any claims made by any succeeding Tenant founded on such delay. Tenant shall surrender all keys for the Premises to Landlord at the place then fixed for payment of Rent and shall inform Landlord of combinations on any locks and safes on the Premises. Tenant's obligation to reserve or perform the provisions of this Article will survive the termination of this Lease.

C. If Tenant remains in possession of the Premises after the expiration of the Term with the express written consent of Landlord, Tenant shall be deemed to be occupying the Premises as a Tenant from month-to-month, subject to all the conditions, provisions and obligation of this Lease insofar as the same can be applicable to a month-to-month tenancy; provided, however, that the gross Rent required to be paid by Tenant during any holdover period shall be a minimum of 1.5 times the gross Rent which Tenant was obligated to pay for the month immediately preceding the end of the Term for each month or any part thereof, of any such holdover period. In the event of holding over by Tenant after expiration or termination of this Lease without the written consent of Landlord, so holding over will be an Event of Default and Landlord will be entitled to all of its rights and remedies under this Lease, in law, or in equity. No holding over by Tenant after the Term will operate to extend the Term.

ARTICLE 22: BANKRUPTCY OR INSOLVENCY

A. Upon the filing of a petition by or against Tenant under the Bankruptcy Code, Tenant (either as debtor or as debtor-in-possession) and any trustee who may be appointed, agrees as follows (to the extent permitted by applicable law): (1) to perform each and every obligation of Tenant under this Lease including, but not limited to, the manner of "operations" as provided in Article 4 of this Lease, until such time as this Lease is either rejected or assumed by order of the United States Bankruptcy Court; and (2) to pay monthly in advance on the first day of each month, as reasonable compensation for use and occupancy of the Premises, an amount equal to all Rent and other charges otherwise due pursuant to this Lease; and (3) to reject or assume this Lease within sixty (60) days of the filing of such petition under Chapter 7 of the Bankruptcy Code or within one hundred twenty (120) days (or such shorter term as Landlord, in its sole discretion, may deem reasonable so long as notice of such period is given) of the filing of a petition under any other chapter; and (4) to give Landlord at least forty-five (45) days prior written notice of any proceeding relating to any assumption of this Lease; and (5) to give at least thirty (30) days prior written notice of any abandonment of the Premises, and such abandonment to be deemed a rejection of this Lease; and (6) to do all other things of benefit to Landlord otherwise required under the Bankruptcy Code; and (7) to be deemed to have rejected this Lease in the event of failure to comply with any of the above; and (8) to have consented to the entry of an order by an appropriate United States Bankruptcy Court providing all of the above, waiving notice and hearing of the entry of the same.

B. No Event of Default of this Lease by Tenant, either prior to or subsequent to the filing of such a petition, will be deemed to have been waived unless expressly done so in writing by Landlord.

C. It is understood and agreed that this is a Lease of real property in the Retail Center as such a lease is described in Section 365(b)(3) of the Bankruptcy Code.

D. If this Lease is assumed or assigned in connection with any Tenant bankruptcy, such an assignment will not be effective until such time as the following preconditions are satisfied (to the extent permitted by applicable law): (1) the assignee must (a) cure any monetary Events of Default and reimburse Landlord for any pecuniary loss incurred by Landlord within thirty (30) days of the assumption and/or assignment; (b) deposit an additional sum equal to three (3) months' Rent to be held as security of for assignee's performance of this Lease; (c) use the Premises for the Permitted Use and offer the same or substantially similar quality, quantity and/or lines of merchandise of any goods or services that were offered by Tenant prior to any such assignment or assumption; (d) demonstrate in writing that it has retailing experience in retail centers of comparable size and the financial ability to operate a retail establishment out of the Premises in the manner contemplated in this Lease; and (e) meet all other reasonable criteria of Landlord as Tenant did upon execution of this Lease; (2) the prior written consent of any mortgagee to which this Lease has been assigned as collateral security must be obtained, both as to the assignee and the assignment document; and (3) the Premises, at all times, must remain a single store and no physical change of any kind may be made to the Premises unless it is done in compliance with the applicable provisions of this Lease.

ARTICLE 23: DEFAULT OF TENANT

A. The following shall be an event of default ("Event of Default"):

1. Failure to pay Rent due under this Lease within five (5) days after the date on which such Rent is due and payable;
2. Failure to keep or perform any of the other terms, conditions or covenants of the Lease to be kept or performed by Tenant for any period in excess of the lesser of (a) more than thirty (30) days after notice of such failure has been given to Tenant, or (b) such other cure period set forth in this Lease;
3. Vacating or abandoning (i.e. not operating Tenant's business in the Premises for ten (10) consecutive days) the Premises;
4. Any voluntary or involuntary petition or similar pleading under any chapter, section or sections of any bankruptcy code or other insolvency law is filed by or against Tenant or any guarantor of Tenant's obligations hereunder, or any voluntary or involuntary proceeding in any court or tribunal, is instituted to declare Tenant or any such guarantor of Tenant insolvent or unable to pay such party's debts, and the same is not dismissed or discharged within 30 days after the date of initiation of any such proceedings; or
5. Tenant makes any general assignment of its property or assets for the benefit of creditors.
6. An Event of Default (as therein defined) under that certain Retail Lease between Tenant and Landlord dated July 24, 2013, as amended.

Upon an Event of Default, Landlord, besides other rights or remedies it may have, will have the right to either: (a) terminate this Lease by giving Tenant five (5) days prior written notice of Landlord's intent to terminate, in which event the Term will expire and terminate with the same force and effect as though the date set forth in said notice was the date originally set forth herein and fixed for the expiration of the Term; (b) after providing Tenant with five (5) days prior written notice re-enter the Premises, dispossess Tenant and/or other occupants of the Premises, remove all property from the Premises and store the same in a public warehouse or elsewhere at the cost of and for the account of Tenant and hold the Premises as hereinafter provided without being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby, Tenant agreeing that no such re-entry or taking possession of the Premises by Landlord will be construed as an election of Landlord's part to terminate this Lease, such right, however, being continuously reserved by Landlord; or (c) exercise any other right or remedy available at law or in equity.

B. In the event Landlord elects to re-enter the Premises, Landlord may, but will not be obligated to, make such alterations and repairs as may be necessary in order to relet the Premises, and relet the Premises or any part thereof for such term or terms (which may extend beyond the Term of this Lease) and at such rental rates and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such reletting, all rentals and other sums received by Landlord from such reletting will be applied first to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including reasonable brokerage fees and attorneys' fees and of costs of such alterations and repairs; third, to the payment of Rent and other charges due and unpaid hereunder; and the residue, if any, will be held by Landlord and will be applied to future Rent obligations as they become due and payable hereunder. If such rentals and

other sums received from such reletting during any month is less than that to be paid during that month by Tenant hereunder, Tenant shall pay such deficiency to Landlord. Tenant will have no right to any excess received by Landlord in connection with such reletting activities over the amount owed by Tenant hereunder. Such deficiency shall be calculated and paid monthly. Notwithstanding any such re-entry by Landlord, Landlord may at any time hereafter elect to terminate this Lease for such previous Event of Default.

C. Should Landlord at any time terminate this Lease in connection with any Event of Default, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur by reason of such Event of Default, including the cost of recovering the Premises, reasonable attorneys' fees and costs, and including the worth at the time of such termination of the excess, if any, of the amount of Rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Premises for the remainder of the stated Term or in the event of reletting, the amount of the actual rent received, all of which amounts shall be immediately due and payable from Tenant to Landlord. In determining the annual Rent which would be payable by Tenant hereunder subsequent to an Event of Default and the subsequent termination, the annual Rent for each year of the unexpired Term will be equal to the average annual Rent paid by Tenant from the Commencement Date to the date of the termination of the Lease, or during the preceding three (3) full calendar years, whichever period is shorter. The failure of Landlord to relet the Premises will not affect Tenant's liability. The term's "entry" and "re-entry" are not limited to their technical meanings.

D. Landlord and Tenant each waive trial by jury in any action, proceeding or counterclaim brought by either of the Parties hereto against the other (except for personal injury or property damage) on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, and any emergency statutory or any other statutory remedy.

E. If Tenant commits an Event of Default (or if any default exists and Landlord has good cause for taking action prior to expiration of Tenant's grace period), then Landlord may, but is not required to, make such payment or do such act, or correct any damage caused by such prohibited act and to enter the Premises as appropriate in connection therewith, and the amount of the expense thereof, if made or done so by Landlord, with interest thereon at the Interest Rate (as hereinafter defined) from the date paid by Landlord, shall be paid by Tenant to Landlord and will constitute Additional Rent hereunder due and payable with the next monthly installment of Rent; but the making of such payment or the doing of such act by Landlord will not operate to cure such default or to prohibit Landlord from the pursuit of any remedy of which Landlord would otherwise be entitled.

F. If Tenant fails more than twice within any twelve (12) month period to observe or perform any covenant, condition, rule, regulation or agreement of this Lease (including without limitation the payment of Rent) regardless of whether such Events of Default have been cured by Tenant, the third (3rd) Event of Default, will, at the election of Landlord, in its sole discretion, be deemed a noncurable Event of Default.

G. Tenant acknowledges and agrees that the acceptance of any Rent payment or any other payment hereunder will not be deemed to be a waiver by Landlord of any Event of Default, whether known or unknown.

H. Tenant must pay all attorneys' fees, costs, and expenses incurred by Landlord in connection with any Event of Default or with exercising any of the remedies set forth above.

ARTICLE 24: HAZARDOUS SUBSTANCES

Tenant warrants and represents that during the period of its occupancy of the Premises it will not unlawfully generate, store, recycle, transport and otherwise use or treat Hazardous Substances on the Premises or anywhere on the Retail Center. Tenant agrees to release, indemnify, defend (with counsel reasonably acceptable to Landlord), protect and hold harmless Landlord and Landlord's employees, officers, directors, owners, agents, and invitees from and against any and all Claims arising or resulting, in whole or in part, directly or indirectly, from the presence, treatment, storage, transportation, disposal, release or management of Hazardous Substances in, on, under, upon or from the Retail Center (including water tables and atmosphere) resulting from or in any way related to Tenant's use of the Premises or the Retail Center. As used herein, "Claims" means all claims, actions, demands, liabilities, damages, costs, penalties, forfeitures, losses or expenses, including, without limitation, reasonable attorneys' fees and the costs and expenses of enforcing any indemnification, defense or hold harmless obligation under this Lease. As used herein "Hazardous Substances" mean any dangerous, toxic, radioactive, hazardous or bio-hazardous materials, pollutants, chemicals, wastes or substances as defined in the Federal Comprehensive Environmental Response Compensation and Liability Act of 1980, the Federal Resource Conservation and Recovery Act of 1976, or any other federal, state or local environmental laws, statutes, regulations, requirements and ordinances relating to the same or which pose a hazard to human health, safety or welfare.

ARTICLE 25: CHANGES TO RETAIL CENTER AND TO TENANT'S LOCATION

A. Landlord reserves the absolute right, at any time and from time to time: (a) to withdraw from the Common Area such portions thereof as may be necessary to construct or demolish or cause to be constructed or demolished (i) additions to existing

buildings or premises, or (ii) additional buildings or premises; and (b) to increase or decrease the total building and/or land size of the Retail Center, in which case Landlord shall furnish Tenant substitute Exhibits B and C and adjust Tenant's Proportionate Share accordingly.

B. Prior to the date Tenant commences Tenant's Improvements, Landlord reserves the right to change the Retail Center configuration and/or to move Tenant's location within the Retail Center to adjust for space requirements of other tenants, provided, however, that the new location is substantially equal to that shown on Exhibits B and C.

C. Landlord hereby reserves the right to relocate Tenant within the Retail Center during the Term to a substitute premises of a similar size and with similar décor. Landlord will provide Tenant with sixty (60) days' written notice of such relocation and will pay all reasonable costs and expenses incurred by Tenant as a result of the relocation.

ARTICLE 26: EXPANSION OF TENANT'S PREMISES; RENT ADJUSTMENT

In the event of any expansion of the Premises, by the addition of a mezzanine floor or otherwise, the numerator used for determining Tenant's Proportionate Share will be increased to reflect the amount of such increased area, it being understood and agreed that the denominator of such formulas will not be correspondingly increased unless the total leasable areas of the Retail Center increase.

ARTICLE 27: NON-LIABILITY

Except for their respective degrees of negligence, neither Party will be responsible or liable to the other Party for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying premises adjoining the Premises or any part of the premises adjacent to or connected with the Premises or any part of the building of which the Premises are a part, or any persons transacting any business in the Retail Center or present in the Retail Center (other than an employee, officer, or agent of Landlord or Tenant) for any other purpose or for any loss or damage resulting to the other Party or its property from burst, stopped or leaking water, sewer, sprinkler or steam pipes or plumbing fixtures or from any failure of or defect in an electric line, circuit or facility.

ARTICLE 28: RIGHTS OF PARTIES TO TERMINATE THIS LEASE

Subject to the provisions of Article 35 below, Landlord has the option to cancel this Lease if Tenant fails to open for business on the Commencement Date by giving written notice to Tenant on or before the thirty-first (31st) business day after the Commencement Date. Subject only to the provisions of Article 35, Landlord agrees that the Commencement Date must be within one (1) year of the date Tenant executes this Lease.

ARTICLE 29: INSPECTION

Tenant will permit Landlord, its agents, employees and contractors to enter all parts of the Premises at reasonable times to inspect the same and to enforce or carry out any provisions of this Lease.

ARTICLE 30: SHORT FORM LEASE

Landlord and Tenant agree that neither Party may record this Lease; provided, however, the Parties agree that each will, at the request of the other, execute, acknowledge and deliver a short form lease, in recordable form, of this Lease specifying the Parties, the Premises and the Term. The Party requesting such recording shall pay for preparation, recording and like charges and pay any stamp or like tax.

ARTICLE 31: NON-WAIVER

Landlord expressly reserves the right to forgive any Event of Default, or to forgo any remedy, in its sole and absolute discretion. Except as specifically provided in the immediately preceding sentence, no failure by Landlord or Tenant to insist upon the other Party's performance of any of the terms of this Lease or to exercise any right or remedy upon an Event of Default, constitutes a waiver of any such Event of Default or of any right or remedy that such Party may have in connection with the Event of Default. No acceptance by Landlord of a full or partial payment of Rent from Tenant or any third party during the continuance of any breach or default by Tenant of Tenant's performance of its obligations under this Lease constitutes Landlord's waiver of any such breach or default. Except as specifically set forth in this Lease, none of the terms of this Lease to be kept, observed or performed by a Party to this Lease, and no breach thereof, are waived, altered or modified except by a written instrument executed by the other Party. One or more waivers by a Party of an Event of Default is not to be construed as a waiver of any subsequent Event of Default. No statement on a payment check from a Party to this Lease or in a letter accompanying a payment check is binding on the other Party. The Party receiving the check, with or without notice to the other Party, may negotiate such check without being bound to the conditions of any such statement.

ARTICLE 32: CAPTIONS

The captions and headings herein are for convenience and reference only.

ARTICLE 33: APPLICABLE LAW

This Lease shall be construed under the laws of the State of Minnesota. If any provision of this Lease, or portion thereof, or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of this Lease will not be affected thereby and each provision of this Lease will be valid and enforceable to the fullest extent permitted by law.

ARTICLE 34: SUCCESSORS

This Lease and the covenants and conditions herein contained will inure to the benefit of and be binding upon Landlord, its successors and assigns, and will be binding upon Tenant, its successors and assigns, and will inure to the benefit of Tenant and only such assigns of Tenant to whom the assignment by Tenant has been consented to by Landlord.

ARTICLE 35: FORCE MAJEURE

The time within the Parties are required to perform any act or acts under this Lease will be extended to the extent that the performance of such act or acts are delayed by acts of God, fire, windstorm, flood, explosion, collapse of structures, riot, war, delays or restrictions by governmental bodies, inability to obtain or use necessary materials, or any cause beyond the reasonable control of such Party (any such delay being called "unavoidable delay" in this Lease) provided, however, that the Party entitled to such extension hereunder shall give prompt notice to the other Party of the occurrence causing such delay. The provisions of this Article will not operate to excuse Tenant from prompt payment of Rent or any other payments required by the terms of this Lease.

ARTICLE 36: BROKERS

With the exception of Wellington Management, Inc., Landlord's agent, and Tenant's Agent, if any, each of the Parties represents and warrants that there are no claims for brokerage commission or finder's fees in connections with the execution of this Lease, and agrees to indemnify the other Party against, and hold it harmless from, all liabilities, arising from any such claim including, without limitation, reasonable attorneys' fees.

ARTICLE 37: NO PARTNERSHIP

Any intention to create a joint venture, partnership or agency relation between the Parties is hereby expressly disclaimed.

ARTICLE 38: AMENDMENTS IN WRITING

This Lease and the Exhibits attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them, other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease is binding upon Landlord or Tenant unless reduced to writing and signed by both Landlord and Tenant.

ARTICLE 39: LIABILITY

If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay Rent and perform all other obligations hereunder will be deemed to be joint and several. In like manner, if Tenant is a partnership or other business association, the members of which are by virtue of statute or general law, subject to personal liability, the liability of each such member will be deemed to be joint and several.

ARTICLE 40: AUTHORITY

Tenant warrants and represents to Landlord that Tenant has full authority to execute this Lease.

ARTICLE 41: COPIES

This Lease is executed in two (2) originals, any of which may be considered and used as an original copy.

ARTICLE 42: ESTOPPEL CERTIFICATE, SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN

A. Landlord hereby warrants that it and no other person or corporation has the right to lease the Premises hereby demised. So long as Tenant performs each and every covenant to be performed by Tenant hereunder, Tenant will have peaceful and quiet use and possession of the Premises without hindrance on the part of Landlord, and Landlord will warrant and defend Tenant in such peaceful and quiet use and possession under Landlord. Tenant's rights under this Lease are and will always be subordinate to the operation and effect of any mortgage, deed of trust, ground lease or other security instrument now or hereafter placed upon the Retail Center, or any part or parts thereof. This clause will be self-operative, and no further instrument of subordination is required. However, in confirmation thereof, Tenant shall execute an instrument in the form attached as Exhibit G hereto or in a form as may otherwise be required by any mortgagee, ground landlord or trustee. Any mortgagee, ground landlord or trustee under any such mortgage, deed of trust, ground lease or other security instrument may elect that this Lease has priority over its mortgage, deed of trust, ground lease or other security instrument and upon notification of such election by such mortgagee, ground landlord or trustee to Tenant, this Lease will be deemed to have priority over said mortgage, deed of trust, ground lease or other security instrument whether this Lease is dated prior to or subsequent to the date of such mortgage, deed of trust, ground lease or other security instrument.

B. Tenant agrees that at any time and from time to time at reasonable intervals, within ten (10) business days after written request by Landlord, Tenant will execute, acknowledge and deliver to Landlord, Landlord's mortgagee, or others designated by Landlord, a form as may from time to time be provided, ratifying this Lease and certifying that: (a) Tenant has entered into occupancy of the Premises and the date of such entry if such is the case; (b) this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way (or if there has been any assignment, modification, supplement or amendment identifying the same); (c) this Lease represents the entire agreement between Landlord and Tenant as to the subject matter hereof (or if there has been any assignment, modification, supplement or amendment, identify the same); (d) the Commencement and Expiration Dates of the Term; (e) all conditions under this Lease to be performed by Landlord have been satisfied (or if not, what conditions remain unperformed); (f) to the knowledge of the signer of such writing no default exists in the performance or observance of any covenant or condition in this Lease, and there are no defenses or offsets against the enforcement of this Lease by Landlord or specifying each default, defense or offset of which the signer may have knowledge; (g) no Rent payment has been paid in advance except pursuant to the provisions of Article 47 herein; and (h) the date to which Base Rent and all other Rent payments have been paid under this Lease. Tenant hereby irrevocably appoints Landlord its attorney-in-fact to execute such writing in the event Tenant fails to do so within ten (10) business days of receipt of Landlord's request.

ARTICLE 43: LANDLORD'S DEFAULT

Landlord will not be deemed to be in default under this Lease until Tenant has given Landlord a written notice specifying the nature of the default, and Landlord does not cure such default within thirty (30) days after receipt of such notice, or within such reasonable time thereafter, as may be necessary to cure such default where such default is of such a character as to reasonably require more than thirty (30) days to cure. This Lease will be construed as though the covenants between Landlord and Tenant are independent and not dependent, and Tenant is not entitled to any set off of Rent or other amounts owing hereunder against Landlord if Landlord fails to perform its obligations set forth herein; provided, however, that the foregoing will in no way impair the right of Tenant to commence a separate action against Landlord for any default by Landlord, so long as notice is first given to Landlord and an opportunity granted to Landlord to cure such default as provided herein.

ARTICLE 44: SECURITY INTEREST

Tenant hereby grants to Landlord a security interest in all goods, chattels, fixtures and personal property belonging to Tenant, which now are or may hereafter be placed in the Premises, to secure all Rents due hereunder and all other covenants and obligations of Tenant hereunder. In the event there exists any security interest in said property which security interest is paramount and superior to the security interest herein created, Landlord may satisfy said paramount security interest, and all sums paid in satisfying said security interest will be considered additional sums owed Landlord by Tenant hereunder. Tenant hereby acknowledges receipt of a true, full and complete copy of this Lease. Landlord, upon the occurrence of any Event of Default, may exercise, in addition to any rights and remedies herein granted, all the rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law. Tenant agrees upon request of Landlord to execute and deliver to Landlord a financing statement evidencing such security interest and any separate security agreement that may be requested by Landlord, provided that Tenant acknowledges that this Lease is deemed to be the security agreement.

ARTICLE 45: EXCULPATION

Tenant agrees to look solely to Landlord's interest in the Retail Center for the recovery of any judgment from Landlord, it being agreed that Landlord will never be personally liable for any such judgment.

ARTICLE 46: NOTICES

Any notice desired or required to be given under this Lease shall be sent postage paid registered or certified mail, return receipt requested to the addresses set forth on the Data Sheet. Either Party may (1) by written notice designate a different address to which notices may be sent, and (2) by written notice designate not more than two (2) additional parties to whom copies of all notices must be sent.

ARTICLE 47: PREPAYMENT OF RENT

Tenant shall contemporaneously with the execution of this Lease, pay to Landlord one full months' Rent and the Security Deposit. Said prepayment of Rent will be applied to the first month when Rent payments commence. After that time, Tenant shall pay Rent in accordance with Article 6 herein. Failure of Tenant to prepay said Rent will be considered an anticipatory breach of the terms of this Lease, and will operate to terminate Tenant's rights under this Lease, including possession of the Premises.

ARTICLE 48: FINANCIALS

Within thirty (30) days after request from Landlord, but not more frequently than once during any calendar year, Tenant will provide Landlord with a copy of its most recent year-end audited consolidated financial statements for use by Landlord, its lenders and prospective lenders, purchasers and prospective purchasers (but only on the condition that any party receiving such information agrees to keep such information confidential pursuant to a confidentiality agreement reasonably acceptable to the Tenant and/or guarantor in question).

ARTICLE 49: SUBMISSION

The submission of this document for examination does not constitute an option or offer to lease space, or a reservation of space at the Retail Center. This document will have no binding effect on the Parties unless executed by Landlord and Tenant and a fully executed copy is delivered to Tenant. Tenant is solely at risk for any business decisions, purchases made, or contracts entered into, in relation to this Lease.

ARTICLE 50: COUNTERPARTS AND ELECTRONIC SIGNATURE

This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The parties agree that the electronic signature of a party to this Lease will be as valid as an original signature of such party and will be effective to bind such party to this Lease. The parties further agree that any document (including this Lease and any attachments or exhibits to this Agreement) containing, or to which there is affixed, an electronic signature will be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, "electronic signature" also means a manually signed original signature that is then transmitted by any electronic means, including without limitation a faxed version of an original signature or an electronically scanned and transmitted version (e.g., via PDF) of an original signature. Any party's failure to produce the original signature of any electronically transmitted signature will not affect the enforceability of this Lease.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

SIGNATURE PAGE TO
RETAIL LEASE

Electronic and facsimile signatures shall be deemed original signatures for all purposes, provided that, upon request, any Party returning a signature page electronically or via facsimile also transmit a hardcopy original of the signature page to the requesting Party.

IN WITNESS WHEREOF, Landlord and Tenant have signed and delivered this Lease as of the Effective Date.

Tenant:

South Washington County School District 833

By: _____

Name: _____

Its: _____

President

Executive Director of Finance
and OPERATIONS

Confirming School Board Approval of the Lease by
resolution on _____ [date].

Landlord:

Valley Creek Mall, LLC

By: Wellington Properties LLC

Its: Manager

By: _____

Name: David Wellington

Its: Deputy Manager

Secretary, South Washington County School District 833

Exhibit A

Legal Description of the Retail Center

Lot 2, Block 1, Eagle Addition, except the North 30 feet thereof, according to the recorded plat thereof, and situated in Washington County, Minnesota.

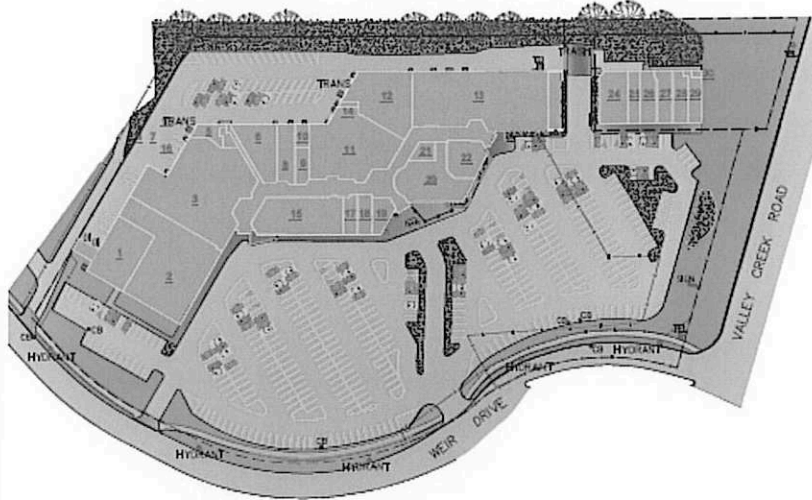
Exhibit B

Site Plan

SYMBOL KEY:

CB	CATCH BASIN
DI	DRIVE-IN DOOR
—E—	EASEMENT DRAINAGE, UTILITY, ROADWAY AND APPURTENANCE
HYDRANT	FIRE HYDRANT
SDN	BUILDING SIGN
TD	TRUCK DOCK
TEL	TELEPHONE SERVICE BOX
TRANS	ELECTRICAL TRANSFORMER
TRASH	TRASH DUMPSTER ENCLOSURE

KEY	VALLEY CREEK MALL AND ANNEX
1	Suite 1
2	Suite 2
3	Suite 3
5	Mech Rm
6	Suite 6
8	Suite 8
9	Suite 9
10	Suite 10 Stor
11	Suite 11
12	Suite 12
13	Suite 13
14	Phone Rm
15	Suite 15
17	Suite 17
18	Suite 18
19	Suite 19
20	Suite 20
21	Suite 21
22	Suite 22
24	Suite 24
25	Suite 25
26	Suite 26
27	Suite 27
28	Suite 28
29	Suite 29
30	Mech Rm

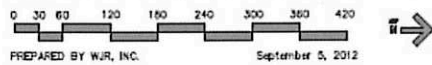


AREA CALCULATIONS *	
PARKING SPACES	439
PARKING LOT	228,522 SF
WALKS	11,728 SF
LANDSCAPE - GRASS	73,818 SF
LANDSCAPE - PLANTED (MULCH)	7,079 SF
LANDSCAPE - PLANTED (NATURAL)	34,432 SF
LANDSCAPE - GRAVEL	5,060 SF

*Area Calculations are Approximate

VALLEY CREEK MALL & ANNEX

1740 - 1750 WEIR DRIVE, WOODBURY, MN 55125

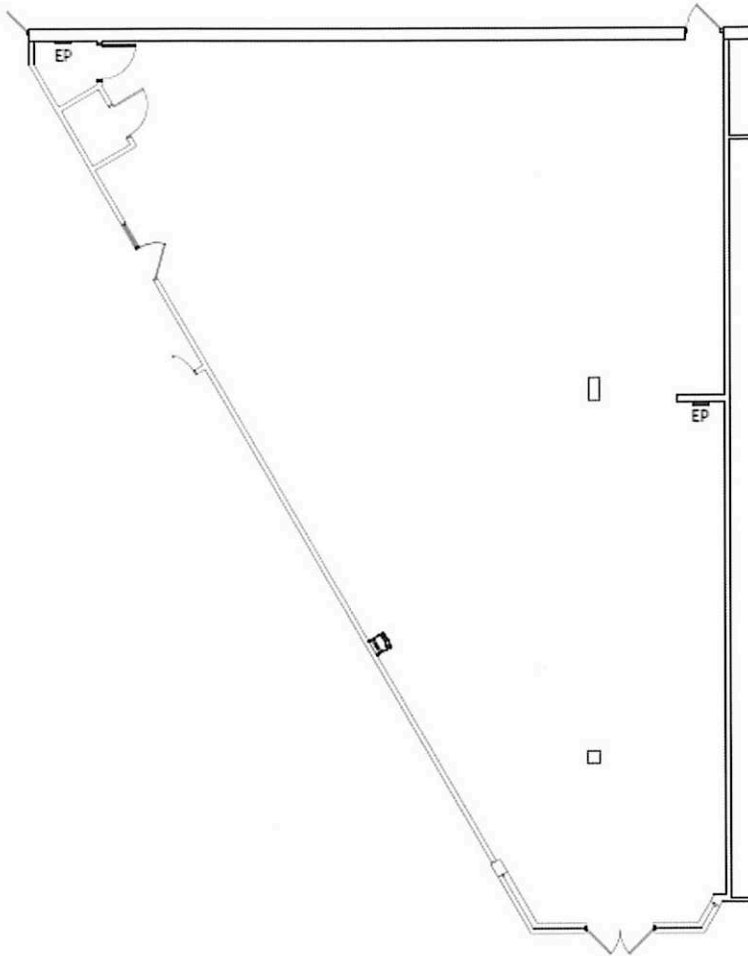


Wellington
MANAGEMENT, INC.

1625 Energy Park Dr., Suite 100
St. Paul, MN 55108
Tel: 651-999-9844 Fax: 651-999-0079

Exhibit C

Floor Plan, Suite 6



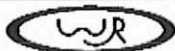
KEY PLAN - 1ST FLOOR



PREPARED BY WJR, INC. November 12, 2020

Suite 6 - 3,252 RSF

11-12-20



Winther-Johnson-Robinson
Architects/Engineers
8175-B Lewis Road
Golden Valley, Minnesota 55427
Phone: 763-398-0432

Valley Creek Mall

1750 Weir Drive
Woodbury, MN 55125



**WELLINGTON
MANAGEMENT**

Commercial Real Estate
Tel: 651-292-9844 Fax: 651-292-0072

Exhibit D

Landlord's Improvements

Landlord's Improvements outlined in this Exhibit D will be undertaken in a complete, timely and workpersonlike manner. All work will conform to Minnesota state and local codes

1. Paint Suite 6 with Tenant paint color choice (one color).
2. Remove existing rubber flooring and install building standard carpet tiles through-out the Premises.

Exhibit E

Tenant's Improvements

Tenant will provide to Landlord, at Tenant's expense, a complete set of interior construction documents and interior finish selections. Upon Landlord's review and approval of plans and specifications, Landlord and/or Tenant will provide complete building costs from a union contractor. Landlord must approve selection of building contractor. A fully executed construction contract must be submitted to Landlord before any work can commence in the Premises.

Tenant's Improvements described below is the responsibility of Tenant and is to be completed in a timely and workpersonlike manner in compliance with all Minnesota state and local codes. Tenant's Improvements are to commence upon completion of Landlord's Improvements detailed above. In no instance shall Tenant's Improvements cause a delay in Tenant Commencement Date.

1. Interior Finishes:
Tenant to provide and install all interior wall and floor finishes above and beyond Landlord's Improvements.
2. Specialty Finishes:
Tenant to provide and install all specialty interior finishes above and beyond Landlord's Improvements, including but not exclusive to: interior wall and soffit details, lighting details, millwork, window treatments, etc.
3. Fixtures/Furnishings/Equipment:
Tenant to provide all Trade Fixtures, Furnishings and Equipment as required for operation.
4. Signage:
Tenant to provide all interior and exterior signage required for operation. Tenant to provide Landlord with shop drawing of signage package prior to installation of signs for Landlord's approval.
5. Utilities:
 - a. Tenant to provide any additional mechanical equipment or alterations specific to operation of business.

Exhibit F

Restricted Uses

The Premises may only be used for its Permitted Use and no other use including without limitation the following restricted uses (**"Restricted Uses"**):

1. Operation of a driving school.
2. Sale of hardware, electrical supplies, plumbing supplies and paint.
3. Chiropractic care.
4. Indoor golf facility.
5. Eyelash extensions
6. Dance studio for children

Exhibit G

*Estoppel Certificate,
Subordination, Non-Disturbance
and Attornment Agreement*