**Fill in this information to identify the case:**

Debtor West Marine Products, Inc.

United States Bankruptcy Court for the: _____ District of Delaware (State)

Case number 26-10801

# Modified Official Form 410
# Proof of Claim

04/25

**Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.**

**Filers must leave out or redact** information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

**Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy** (Form 309) **that you received.**

## Part 1: Identify the Claim

1. **Who is the current creditor?**

2700 LIGHTHOUSE POINT, LLC

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor _____

2. **Has this claim been acquired from someone else?**

☑ No

☐ Yes. From whom? _____

3. **Where should notices and payments to the creditor be sent?**

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

| **Where should notices to the creditor be sent?** | **Where should payments to the creditor be sent?** (if different) |
|---|---|
| 2700 LIGHTHOUSE POINT, LLC<br>C/O MACKENZIE MGMT CO.<br>2328 W. JOPPA RD, STE 200<br>Lutherville, MD 21093, USA | |
| Contact phone 410-821-8585 | Contact phone _____ |
| Contact email See summary page | Contact email _____ |

Uniform claim identifier (if you use one):

_ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

4. **Does this claim amend one already filed?**

☐ No

☑ Yes. Claim number on court claims registry (if known) _____ Filed on 7/11/2025 MM / DD / YYYY

5. **Do you know if anyone else has filed a proof of claim for this claim?**

☐ No

☑ Yes. Who made the earlier filing? 2700 Lighthouse Point, LLC



26108012610290000000000008

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. **Do you have any number you use to identify the debtor?**

☐ No

☑ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: 5685

7. **How much is the claim?** $ 17376.43 . **Does this amount include interest or other charges?**

☑ No

☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. **What is the basis of the claim?**

Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.

Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).

Limit disclosing information that is entitled to privacy, such as health care information.

Lease Agreement

9. **Is all or part of the claim secured?**

☑ No

☐ Yes. The claim is secured by a lien on property.

**Nature or property:**

☐ Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.

☐ Motor vehicle

☐ Other. Describe: _____

**Basis for perfection:** _____

Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

**Value of property:** $_____

**Amount of the claim that is secured:** $_____

**Amount of the claim that is unsecured:** $_____ (The sum of the secured and unsecured amount should match the amount in line 7.)

**Amount necessary to cure any default as of the date of the petition:** $_____

**Annual Interest Rate** (when case was filed)_____%

☐ Fixed

☐ Variable

10. **Is this claim based on a lease?**

☐ No

☑ Yes. **Amount necessary to cure any default as of the date of the petition.** $ 17376.43

11. **Is this claim subject to a right of setoff?**

☑ No

☐ Yes. Identify the property: _____



26108012610290000000000008

12. **Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?**

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☑ No

☐ Yes. *Check all that apply:*

| | Amount entitled to priority |
|---|---|
| ☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). | $_____ |
| ☐ Up to $3,800* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). | $_____ |
| ☐ Wages, salaries, or commissions (up to $17,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). | $_____ |
| ☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). | $_____ |
| ☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). | $_____ |
| ☐ Other. Specify subsection of 11 U.S.C. § 507(a)(__) that applies. | $_____ |

* Amounts are subject to adjustment on 4/01/28 and every 3 years after that for cases begun on or after the date of adjustment.

13. **Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. § 503(b)(9)?**

☑ No

☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

$_____

## Part 3: Sign Below

**The person completing this proof of claim must sign and date it. FRBP 9011(b).**

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

**A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.**

*Check the appropriate box:*

☑ I am the creditor.

☐ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 10/29/2026
MM / DD / YYYY

/s/Seth Peichert
Signature

**Print the name of the person who is completing and signing this claim:**

Name: Seth Peichert
First name Middle name Last name

Title: Authorized Representative of

Company: 2700 Lighthouse Point, LLC
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address

Contact phone _____ Email _____





# Verita (KCC) ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (866) 967-1786 | International (310) 751-2686

**Debtor:**
26-10801 - West Marine Products, Inc.
**District:**
District of Delaware

**Creditor:**
2700 LIGHTHOUSE POINT, LLC
C/O MACKENZIE MGMT CO.
2328 W. JOPPA RD, STE 200

Lutherville, MD, 21093
USA
**Phone:**
410-821-8585
**Phone 2:**
**Fax:**
**Email:**
HAnuszewski@MacKenzieManagement.com

**Has Supporting Documentation:**
Yes, supporting documentation successfully uploaded
**Related Document Statement:**

**Has Related Claim:**
Yes
**Related Claim Filed By:**
2700 Lighthouse Point, LLC

**Filing Party:**
Creditor

**Other Names Used with Debtor:**

**Amends Claim:**
Yes, 7/11/2025
**Acquired Claim:**
No

**Basis of Claim:**
Lease Agreement

**Last 4 Digits:**
Yes - 5685

**Uniform Claim Identifier:**

**Total Amount of Claim:**
17376.43

**Includes Interest or Charges:**
No

**Has Priority Claim:**
No

**Priority Under:**

**Has Secured Claim:**
No
**Amount of 503(b)(9):**
No
**Based on Lease:**
Yes, 17376.43
**Subject to Right of Setoff:**
No

**Nature of Secured Amount:**
**Value of Property:**
**Annual Interest Rate:**
**Arrearage Amount:**
**Basis for Perfection:**
**Amount Unsecured:**

**Submitted By:**
Seth Peichert on 29-Oct-2026 11:45:47 a.m. Pacific Time
**Title:**
Authorized Representative of
**Company:**
2700 Lighthouse Point, LLC

VN: 00C02DFBD1A797A314381AF3990F1850

Attachment to Amended Proof of Claim of
2700 Lighthouse Point, LLC

This Amended Proof of Claim is based upon a Lease Agreement by and between 2700 Lighthouse Point, LLC, (sometimes referred to as the "Landlord" or "$2,700 Lighthouse Point, LLC), and West Marine Products, Inc., (sometimes referred to as the "Tenant" or "West Marine Products, Inc.), as more fully described in the following Lease Agreement and Amendments thereto:

1. Lease Agreement dated April 8, 1997 by and between East Harbor Marine Center, LLC, landlord, and West Marine Products, Inc., tenant, for approximately 5,935 square feet of space located at the Lighthouse Point Project for the period commencing on November 6, 1997 and ending on November 6, 2007 (the "Lease Period");
2. First Amendment to Lease dated October 30, 2007 by and between JSY, LLC, landlord, and West Marine Products, Inc., tenant, extending the Lease Period from November 7, 2007 through November 30, 2012;
3. Second Amendment to Lease dated May 21, 2012 by and between JSY, LLC, landlord, and West Marine Products, Inc., tenant, extending the Lease Period from December 1, 2012 through November 30, 2017;
4. Third Amendment to Lease dated April 27, 2017 by and between JSY, LLC, landlord, and West Marine Products, Inc., tenant, extending the Lease Period from December 1, 2017 through November 30, 2019;
5. Fourth Amendment to Lease dated November 5, 2019 by and between 2700 Lighthouse Point, LLC, successor to JSY, LLC, landlord, and West Marine Products, Inc., tenant, to extend the Lease Period from December 1, 2019 through November 30, 2024;
6. Fifth Amendment to Lease dated October 5, 2023 by and between 2700 Lighthouse Point, LLC, landlord, and West Marine Products, Inc., tenant, amending terms of Lease for the period commencing on December 1, 2023 and ending on November 30, 2024;
7. Sixth Amendment to Lease dated October 30, 2024 by and between 2700 Lighthouse Point, LLC, landlord, and West Marine Products, Inc., tenant, to extend the Lease Period from December 1, 2024 through November 30, 2025; and
8. Seventh Amendment to Lease dated October 20, 2025 by and between 2700 Lighthouse Point, LLC, landlord, and West Marine Products, Inc., tenant, to extend the Lease Period from December 1, 2025 through November 30, 2026.

Copies of the Lease Agreement and all Amendments thereto (collectively referred to as the "Lease") are attached to this Amended Proof of Claim as Exhibit 1.

The Debtor filed its petition for relief in this Court on May 17, 2026 (the "Petition Date"). As of the date of the Petition, the Debtor owed Landlord the sum of $6,538.39 for unpaid rent due and owing under the Lease as of May 1, 2026. On or about October 15, 2026, and after the Proof of Claim was filed, Landlord received the sum of $3,163.74 for rent owed for the period dating from the Petition Date through May 31, 2026, during which time the Tenant operated as a Debtor In Possession. There remains a balance of $3,374.65 due and owing for prepetition rent due under the Lease for the period from May 1, 2026 through the Petition Date. A copy of the Statement of

Account showing the prepetition rent of $3,374.65 owed for May, 2026 is attached to this Amended Proof of Claim as Exhibit 2.

On September 30, 2026, the Landlord received notice of the surrender of the Leased Premises from the Debtor, at which time the Debtor surrendered the Leased Premises to the Landlord and the Lease was rejected. The remaining term of the Lease is for two months, from October 1, 2026 through November 30, 2026. The Debtor's rejection caused a breach of the terms of the Lease, triggering a pre-petition claim in favor of the Landlord in the amount of $13,076.78 for rent due under the Lease for the months of October and November, 2026. See 11 U.S.C. §365(g). Copies of the statements showing the rent due for October and November is attached to this Amended Proof of Claim as Exhibit 3.

Additionally, the Debtor was required to tender the Leased Premises to the Landlord in broom clean order; however, upon inspection at the time of delivery, Landlord observed and was required to repair a window and the front door of the Leased Premises at a cost of $925.00. A copy of the Invoices for the repairs, along with pictures of the damages, is attached to this Amended Proof of Claim as Exhibit 4.

Accordingly, the Landlord is entitled to a pre-petition claim arising from the Lease as follows:

| | |
|---|---|
| Unpaid rent from May 1, 2026 through Petition Date: | $3,374.65 |
| Unpaid rent from October 1, 2026 through November 30, 2026: | $13,076.78 |
| Repair of front door | $925.00 |
| Total due and owing on account of Lease: | **$17,376.43** |

Section 502(b)(6) of Title 11 limits a Landlord's claim. This section provides that:

> … (**b)**Except as provided in subsections (e)(2), (f), (g), (h) and (i) of this section, if such objection to a claim is made, the court, after notice and a hearing, shall determine the amount of such claim in lawful currency of the United States as of the date of the filing of the petition, and shall allow such claim in such amount, except to the extent that— …
>
> **(6)**if such claim is the claim of a lessor for damages resulting from the termination of a lease of real property, such claim exceeds— **(A)**the rent reserved by such lease, without acceleration, for the greater of one year, or 15 percent, not to exceed three years, of the remaining term of such lease, following the earlier of—**(i)** the date of the filing of the petition; and **(ii)** the date on which such lessor repossessed, or the lessee surrendered, the leased property; plus **(B)** any unpaid rent due under such lease, without acceleration, on the earlier of such dates.

11 U.S.C. § 502(b)(6).

The Landlord's claim is predicated on the amount of rent that was due for the month of May, 2026, which has been reduced by the partial payment of rent for the period of May that the Debtor In Possession occupied the Leased Premises, and for the two months remaining under the Lease term, and for the damages that was provided for under its Lease upon taking possession of the premises by the Landlord. All the charges and rent reserve are under the cap of 11 U.S.C. § 506(b)(6). Thus, the full amount of the claim of $17,376.43 is allowable.

# Exhibit 1

# Lease Agreement and Amendements

# LEASE AGREEMENT

## 1. PARTIES AND DATE

1.1 THIS LEASE is executed on the 8th day of April, 1997, between EAST HARBOR MARINE CENTER, L.L.C. (the "Landlord") and WEST MARINE PRODUCTS, INC., a California corporation (the "Tenant").

## 2. PREMISES, PROJECT AND COMMON AREAS

2.1 Premises, Project and Common Area. In consideration of the agreements herein expressed, Landlord leases to Tenant and Tenant hires from Landlord that real property in the City of Baltimore, State of Maryland, more commonly known as a portion of the Lighthouse Point Project (the "Project") and as approximately shown in the site plan (the Site Plan ) attached hereto as Exhibit "A" (the "Premises"). Landlord also grants a license to Tenant, and Tenant's employees, agents, sublessees and assignees, to use the common areas, the parking lot (portions of which are restricted as paid parking), and similar portions (collectively, the "Common Area") of the Project containing the Premises (the "Project"). The Project is a mixed use development which includes retail, office space, a boatel for high and dry storage of boats, a restaurant, a swim club, an outdoor food kiosk and bar, yacht brokerage, residential uses and a marina with approximately 500 boat slips, a travel lift and a marine repair facility.

2.2 Size of Premises and Measurement. The Premises contain approximately Six Thousand One Hundred (6,100) square feet and the retail building located in the Project (the J.S. Young Building ) contains approximately Thirty-Nine Thousand (39,000) square feet. The square footage of the Premises will include only the ground floor square footage contained within the Premises, will be measured from the outside of any exterior walls containing the Premises and to the center of any demising walls separating the Premises from other premises in the J.S. Young Building, and will exclude any exterior storage areas, loading docks, truck loading areas or docks, patios, sidewalks, or other areas not intended for use as office, warehouse, or showroom space. At Tenant's election, Tenant may confirm the actual square footage contained within the Premises.

2.3 Construction in Common Areas. Landlord agrees not to construct any alterations, additions, or buildings in the Project that interfere with the visibility of the Premises from Boston Street, that reduce the number of parking stalls in the Project below the number of parking stalls as shown the Site Plan or that interfere with vehicular or pedestrian access to the Premises. In the event the Landlord desires to construct any alteration, addition, or building in the Project (subject to the foregoing limitation), such alteration, addition, or building shall be constructed in a manner so as to minimize any inconvenience with Tenant's conduct of its business. During the Term, and any extensions thereof, Landlord agrees to maintain parking as shown on the Site Plan of not less than four (4) full-sized parking stalls for each 1,000 square feet of leasable area contained within the Premises, which spaces shall be at the locations shown on the attached Exhibit "A" and may be marked as being for the exclusive use of Tenant and its agents, employees and invitees. Tenant shall have the right, power and authority to remove any unauthorized vehicles parking in Tenant's exclusive parking spaces. Except for any exclusive parking provided to Tenant, all parking in the common areas of the Project shall be available to

Tenant and any other lessees of the Project on a non-exclusive basis and Landlord shall not allocate or dedicate any portion of such remaining parking for the exclusive use of any other lessees of the Project or any invitees or customers thereof; provided, however, that a) a large portion of the remaining parking is gated and set up as paid parking, and b) twenty five dedicated spaces have already been provided for the exclusive use by Blockbuster, Inc., another retail tenant of the Project.

## 3. USE OF PREMISES AND TENANT'S EXCLUSIVE RIGHTS

3.1 Tenant's Use of the Premises. Tenant may use the Premises for the purpose of conducting a general retail store the sale of supplies, equipment and/or apparel for marine, boating and general athletic uses. Landlord warrants and represents to Tenant that no other tenant, subtenant or other occupant of the Project possesses any contractual, leasehold or other exclusive right to sell any goods, products, or services that would be violated by Tenant's sale of supplies, equipment and/or apparel for marine, boating and general athletic uses. Landlord will indemnify, defend (with attorneys selected by Tenant) and hold Tenant harmless from and against all costs, losses, expenses (including attorneys' fees and costs), or judgments associated with the violation or asserted violation of any such contractual, leasehold or other actual or purported exclusive right to the extent same relates to or arises from Tenant's sale of supplies, equipment and/or apparel for marine and boating uses. Tenant shall not commit or suffer to be committed any waste upon the Premises or any public or private nuisance or other act or thing which is unlawful.

Tenant shall not have any obligation to continuously use or occupy the Premises or conduct business therein during the term and Tenant shall have the right (at any time and from time to time) to discontinue the use and occupancy of the Premises or cease the conduct of business therein; provided, however, that neither the cessation of Tenant's use or occupancy of the Premises nor the discontinuation of the conduct of business therein shall not relieve or discharge Tenant from its obligation to pay rent and perform the obligations required by this Lease in the time and manner set forth herein. In the event Tenant ceases to conduct business from the Premises for one hundred twenty (120) continuous days (excluding any periods that the store is closed for the construction of any alterations, improvements or additions or for the restoration following any damage or destruction), and before Tenant serves written request on Landlord for Landlord's consent to any assignment or sublease, Landlord shall have the right, at any time thereafter to terminate this Lease upon ten (10) days written notice to Tenant. No such termination shall relieve Tenant from any liability which may accrue or may have accrued from the happening of any matter or thing occurring prior to the effective date of such termination.

3.2 Rules and Regulations. Tenant covenants that the rules and regulations appended hereto as Exhibit B, and such other and further rules and regulations as Landlord may make, being in its reasonable judgment needful for the reputation, safety, care or cleanliness of the Building and Leased Premises, or the operation or maintenance of the Building and its equipment, or the comfort of tenants (the Rules and Regulations ), shall be faithfully observed and performed by Tenant, and by the servants, employees, agents, subtenants, concessionaires, and licensees of Tenant. Tenant shall be deemed to have notice of any such Rules or Regulations when a copy thereof has been served on Tenant by Landlord at the time and in the manner set forth in this Lease for Notices. Tenant s failure to conform to any of such Rules or Regulations

shall be deemed to be a breach and default of this Lease by Tenant. Landlord shall have the right to change said Rules and Regulations and to waive in writing, or otherwise. The provisions of the Rules and Regulations shall not be deemed to limit any covenant or provision of this Lease to be performed or fulfilled by Tenant. In the event of any conflict between the rules and regulations from time to time adopted by Landlord and the terms and conditions of this Lease, the terms and conditions of this Lease shall control and prevail. Landlord shall use reasonable efforts to enforce compliance by other tenants in the Project with any rules and regulations from time-to-time adopted by Landlord.

3.3 West Marine's Exclusive. During the term of this Lease, as extended and renewed, Tenant shall have the exclusive right, power and authority to sell mechanical, electrical and other equipment, supplies, electronics, appliances, hardware, rope, plumbing, and apparel for marine and boating uses (the "Exclusive Products") in both (1) the Project and (2) any other real property owned directly or indirectly (through one or more Affiliates) by Landlord within a three (3) mile radius of the Project (collectively the "Restricted Area"). Landlord agrees not to enter into any new leases, to renew or extend any existing leases, or to consent to any assignment or sublease (collectively or alternatively "New Leases") for premises in the Restricted Area to permit the sale of any goods, products or services in violation of the exclusivity provisions of this Lease, to include a disclosure in any New Lease of the exclusivity provisions contained in this Lease, to include a provision in any New Lease wherein such person or entity agrees not to do any acts in violation of the exclusivity provisions of this Lease, and to perform such acts as are necessary or appropriate (including, without limitation, the commencement and prosecution of legal action) to enforce the exclusivity provisions of this Lease. In the event of a breach of the exclusivity provisions of this section, Landlord agrees that Tenant shall be entitled to obtain (among other relief) injunctive relief and/or compensatory damages.

For the purpose of this Lease, the term "Affiliate" shall mean and include (without limitation) the following: (i) any corporation in which any outstanding capital stock is either legally, beneficially, directly and/or indirectly owed by either (a) Landlord, (b) Landlord's spouse, parent(s), children or grandchildren, (c) any shareholders, partners, members or principals of Landlord and/or (d) any parent, subsidiary, or other Affiliate; (ii) any partnership in which interest in capital and/or profits is either legally, beneficially, directly or indirectly owed by either (a) Landlord, (b) Landlord's spouse, parent(s), children or grandchildren, (c) any shareholders, partners, members or principals of Landlord and/or (d) any parent, subsidiary, or other Affiliate; (iii) any corporation in which some or all of the outstanding capital stock is either legally, beneficially, directly or indirectly owed by either (a) Landlord, (b) Landlord's spouse, parent(s), children or grandchildren, (c) any shareholders, partners, members or principals of Landlord and/or (d) any parent, subsidiary, or other Affiliate; and/or (iv) any trust in which the trustee's and/or beneficiary's interest is held by either Landlord, any partner, shareholder, member or principal in Landlord, or any spouse, parent(s), children or grandchildren of the foregoing.

Tenant's exclusive rights hereunder shall not prohibit any incidental sales by other tenants of Exclusive Products in the Restricted Area in the usual course of their business. For the purpose of this Lease, sales of Exclusive Products by another tenant of Landlord (or its Affiliates) in the Restricted Area (a "Competing Tenant") shall be deemed incidental to the usual course of business of such Competing Tenant if (a) the gross sales (in dollars) for all Exclusive

Products sold by such Competing Tenant from its premises in the Restricted Area (the "Competing Premises") do not exceed five percent (5%) of all gross sales by such Competing Tenant from the Competing Premises and (b) the surface area in the Competing Premises (including both floor area and wall display areas) dedicated to the sale of Exclusive Products by such Competing Tenant do not exceed (in the aggregate) five percent (5%) of all surface areas in the Competing Premises dedicated to sales by such Competing Tenant, and (c) the Competing Tenant does not advertise (either in print, broadcast or other media for the public dissemination of information) such Exclusive Products for sale.

3.4 Outdoor Display. Tenant shall be entitled to maintain in the Common Area a display of inflatable boats and motors and shall be entitled to install and maintain a marine-style flagpole in front of the Premises, if permitted by the laws, rules, and regulations of the City of Baltimore in effect from time to time. Tenant will obtain any permits required to construct and install such displays and such displays will be subject to Landlord's reasonable consent and approval. Tenant's display of inflatable boats and motors will be conducted in a manner so as to minimize interference with vehicular or pedestrian traffic in the Common Areas.

## 4. TERM

4.1 Initial Term. The term of this Lease shall be Ten (10) years and shall commence upon the earlier to occur of the following: (i) ninety (90) days after Landlord substantially completes Landlord's Work (as set forth in the Work Letter attached as Exhibit "B") and delivers possession of the Premises in broom-clean condition (free of all construction debris, scaffolding and occupants) or (ii) the day Tenant commences the conduct of business in the Premises. Tenant shall have the right (but not the obligation), at reasonable times, upon prior notice to Landlord, and at Tenant s sole risk, to enter and occupy the Premises from the period between the date of this Lease and the Commencement Date for the purpose of constructing and installing improvements in the Premises, merchandising the Premises, and preparing the Premises for the conduct of business. Such early occupancy shall be subject to the terms and conditions of this Lease, except those relating to the payment of Fixed Rent and Tenant's Share of Operating Costs (both of which shall commence on the Commencement Date). On or before the Commencement Date, Landlord and Tenant shall determine the actual square footage of the Premises, the Commencement Date of the term, the expiration date of the term, the original Fixed Rent for the Premises, Tenant's Share, the exercise date(s) for any options to extend, renew, cancel and/or terminate this Lease, the amount of any payment required to terminate this Lease, and such other information as the parties elect to include. Such dates, amounts, figures and information shall be set forth in a written memorandum signed by both Landlord and Tenant.

4.2 Conditions Precedent. Tenant's obligations under this Lease are subject to Tenant's ability to improve the Premises (i) in accordance with the plans approved by Landlord, (ii) at a cost that is economically feasible and/or (iii) in a manner required by Tenant for the use of the Premises for the use(s) permitted by this Lease. Notwithstanding anything to the contrary contained in this Lease, if Tenant advises Landlord within sixty (60) days after Tenant's receipt of a fully executed counterpart of this Lease that the Premises cannot be improved by Tenant (i) in accordance with the plans approved by Landlord, (ii) at a cost that is economically feasible and/or (iii) in a manner required by Tenant for the use of the Premises for the use(s) permitted by

this Lease, Tenant shall have the right to terminate this Lease on written notice by Tenant to Landlord.

4.3 Option to Extend and Renew. Landlord hereby grants to Tenant the right and option to extend and renew this Lease upon the same terms and conditions for two (2) additional successive periods of five (5) years each following the expiration of the initial term, provided that there exist no uncured events of default under the terms of this Lease at the time of any such exercise of any such option. The options to extend and renew shall be exercised (if at all) by giving Landlord written notice of extension not later than three (3) months before the expiration of the initial term of this Lease or then-extended term (as the case may be). Fixed Rent during the option periods shall be in the amount of the fair market rental value (the "Fair Market Rental Value") for the Premises, which Fair Market Rental Value may be higher or lower than the Fixed Rent payable during the last year of the term and shall be determined in the manner prescribed by this Section 4.3.

Following Tenant's service of written notice that Tenant is exercising its option to extend the term, Landlord and Tenant shall endeavor to agree upon the Fair Market Rental Value for the Premises for the first year of the applicable option period and the time and methods by which the original Fair Market Rental Value shall be adjusted during the option term (the "Market Terms").

If Landlord and Tenant are unable to agree upon the Market Terms of the Premises for each of the applicable option periods, either party may give notice of its election to have such value determined by appraisal. The appraiser shall be mutually acceptable to both Landlord and Tenant, shall have at least five years of commercial appraisal experience in the state and county containing the Premises, and shall not have previously worked for either Landlord or Tenant. If the parties are unable to agree upon a mutually acceptable MAI appraiser within 15 working days after Tenant exercises its option, either party may request a court of competent jurisdiction to appoint such an appraiser. The Market Terms shall reflect (among the other factors typically considered in determining fair market rental value) any market concessions available at the time of the renewal to a tenant of similar size and net worth as Tenant. The Market Terms shall expressly exclude any improvements installed by Tenant or at Tenant's expense.

4.4 Option To Terminate. Tenant shall have the right, option and privilege of terminating this Lease at the end of the third year of the term if Tenant's gross sales from the Premises are less than Two Million Dollars ($2,000,000.00) per annum during either the second full year of the term, or, on a pro rata basis, the first six (6) months of the third year of the term. Tenant shall exercise such option (if at all) by serving Landlord with written notice of its election to terminate the Term not later than four (4) months before the third anniversary of the Commencement Date.

As used in this Lease, the term "Gross Sales from the Premises" (1) shall include the amounts received by Tenant for all goods, wares, merchandise, and products sold on or from the Premises by Tenant (whether for cash or credit) and amounts received by Tenant for the sale or rendition on or from the Premises of services of any nature or kind whatsoever (whether for cash or credit) charged by Tenant and (2) shall exclude all sales and excise taxes payable by Tenant to Federal, State, County or municipal governments as a direct result of operations under this Lease; delivery charges; discounts and allowances granted to customers; transfers of merchandise to

Tenant's other stores and warehouses; discounts on sales to employees; non-sale proceeds of wares and goods (including, without limitation, proceeds from any insurance covering inventory, settlement proceeds from claims not relating to the sale of inventory, and proceeds from any condemnation proceedings); reasonable bad debt allowance; reductions due to redemptions or discount coupons offered as an incentive to the sale of merchandise; and refunds for goods returned.

## 5. RENT AND ADDITIONAL RENT

5.1 Amount of Fixed Rent. Commencing on the Commencement Date, Tenant shall pay rent to Landlord in the amount of approximately Eighty-Eight Thousand Four Hundred Fifty Dollars ($88,450.00) per year (the "Fixed Rent"). If the actual square footage contained within the Premises is less than Six Thousand One Hundred (6,100) square feet, then the Fixed Rent shall be reduced proportionately. Subject to adjustment to reflect the actual square footage contained in the Premises, Fixed Rent shall be paid in equal monthly installments of approximately Seven Thousand Three Hundred Seventy and 83/100 Dollars ($7,370.83.00) per month and shall be paid not later than the tenth day of each calendar month.

5.2 COLA. Commencing thirty (30) months after the Commencement Date and every thirty (30) months thereafter during the term (the "COLA Dates"), the Fixed Rent shall be adjusted to reflect changes in the Index (as defined below); provided, however, that no adjustment to reflect changes in the Index shall be made at the beginning of any extended or renewed term resulting from Tenant's exercise of any option to extend under Section 4.4. For the purpose of this Lease, the "Index" shall be the Consumer Price Index for Urban Wage Earners and Clerical Workers for the Baltimore, MD area (1982-84 = 100). On each COLA Date, the monthly Fixed Rent in effect on the Commencement Date (the "Initial Fixed Rent") shall be multiplied by a fraction, the numerator of which shall be the difference between (1) the value of the Index most nearly preceding the COLA Date and (2) the value of the Index most nearly preceding the Commencement Date and the denominator of which shall be the value of the Index most nearly proceeding the Commencement Date. The product determined by the preceding sentence shall then be added to the Initial Fixed Rent and such sum shall thereafter be the Fixed Rent until the next COLA Date (if any); provided, however, that in no event shall the increase in the Fixed Rent on any COLA Date exceed twelve and one-half percent (12.5%) of the Fixed Rent payable immediately before such COLA Date. In no event, however, shall the rent hereunder ever be lower than the Fixed rent in effect on the date hereof.

5.3 Additional Rent. Any sum of money due by Tenant to Landlord under the terms of this Lease shall hereby be deemed to be additional rent.

## 6. OPERATING COSTS

6.1 Definition of Operating Costs. Subject to any limitations or restrictions contained in this Lease, the cost of Landlord's insurance under Article 7, the CAM Charges under Article 10, and the Real Property Taxes assessed against the Project under Article 11 shall be collectively referred to as the "Operating Costs." "Tenant's Share" of the CAM charges and the insurance shall be a ratio, the numerator of which shall be the square footage contained in the Premises and the denominator of which shall be the square footage contained in the J.S. Young

Building; provided, however, that if the actual square footage contained within the Premises is less than Six Thousand One Hundred (6,100) square feet, then Tenant's Share shall be determined by reference to the actual square footage contained within the Premises. Tenant s share of the Real Property Taxes (except real property taxes assessed against any residential units in the Project) shall be a ratio, the numerator of which shall be the square footage contained in the Premises and the denominator of which shall be the square footage of all buildings contained in the Project, with the sole exception of any residential units constructed in the Project (which shall be separate tax lots for real property tax purposes).

6.2 Operating Cost Estimates. Concurrently with the execution of this Lease and not later than December 15 of each calendar year during the term, Landlord shall give Tenant notice of Tenant's Share of the estimated Operating Costs for the upcoming calendar year or portion thereof (the "Operating Cost Estimate"). In addition to the Fixed Rent, and subject to the limitations and provisions of this Lease, Tenant shall also pay to Landlord one-twelfth (1/12th) of Operating Costs Estimate.

6.3 Operating Cost Reconciliations. Not later than March 1 of each calendar year, Landlord shall reconcile the actual Operating Costs for the preceding calendar year (or portion thereof) against the payments made by Tenant pursuant to the Operating Cost Estimate for such preceding calendar year (or portion thereof) and shall provide a detailed statement to Tenant of such reconciliation (the "Year End Statement"). If the Year End Statement shows that Tenant has underpaid Tenant's Share of Operating Costs for the preceding calendar year (or portion thereof), Tenant shall pay the amount of such underpayment to Landlord within thirty (30) days of Tenant's receipt of the Year End Statement. If the Year End Statement shows that Tenant has overpaid Tenant's Share of Operating Costs for the preceding calendar year (or portion thereof), Tenant shall be entitled to credit the amount of such overpayment to Fixed Rent and Operating Cost Estimates thereafter accruing or, if the term expired during such calendar year, Landlord shall refund any overpayment to Tenant.

6.4 Audit Rights. If Landlord fails to deliver a Year End Statement to Tenant within twelve (12) months after the end of any calendar year (or portion thereof), such failure shall constitute a waiver of Landlord's right to collect any unpaid portion of Tenant's Share of Operating Costs for such preceding calendar year (or portion thereof). Tenant shall have the right to audit the Operating Costs at any time within twelve (12) months after tenant receives Landlord's year-end reconciliation. If such audit reveals an overpayment by Tenant of Tenant's actual liability for Tenant's Share of Operating Costs, Landlord shall credit such overpayment to Fixed Rent and Operating expenses thereafter occurring or, if the term has expired, shall refund such overpayment to Tenant. In addition to the foregoing, if such audit reveals an overpayment by Tenant of more than five percent (5%) of Tenant's actual liability for Tenant's Share of Operating Costs, Landlord shall pay the costs of such audit.

6.5 CAM Charge Caps. Tenant's Share of Operating Costs under this Article 10 during the first two (2) years of the term shall not exceed the lower of the actual Operating Costs incurred during such year or $3.50 per square foot per year contained within the Premises. After the first two (2) years of the Term, the maximum Operating Costs payable by Tenant during each such year of the Term shall not exceed the product of (i) Tenant's Share of the Operating Costs in the immediately preceding year (subject to the limitations on such Operating Costs imposed by

this Lease) and (ii) a fraction, (a) the numerator of which is the value of the Index most immediately preceding the beginning of such year of the Term and (b) the denominator of which is the value of the Index twelve (12) months earlier.

## 7. LANDLORD'S INSURANCE

7.1 Landlord's Insurance. At all times during the term of this Lease or any extensions thereof, Landlord shall cause the Premises and the J.S. Young Building to be covered by fire insurance with extended coverage provisions in the amount of the full replacement value of said building or improvements and comprehensive general liability insurance for personal injury, death and property damage in the amount of One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) aggregate. Landlord shall be named as insureds in any policies above provided for. Landlord's insurance shall be issued by the insurance carriers having a financial size category of at least class X and a rating of A or better (as published in the most recent edition of "Best's Insurance Guide").

7.2 Landlord's Indemnity. Landlord shall indemnify, defend and save Tenant harmless from and against any and all claims, actions, damages, liabilities and expenses (including reasonable attorneys' fees through all trial and appellate proceedings and costs) in connection with loss of life, personal injury and/or damage to property arising from or relating to the following: (1) any occurrence in, upon, or at the Project resulting from the negligent acts or omissions of Landlord or Landlord's agents, contractors or employees, (2) the operation and management of the Common Area, or (3) any breach of this Lease by Landlord.

## 8. TENANT'S INSURANCE

8.1 Tenant's Insurance. During the entire term of this Lease, Tenant shall maintain and pay all premiums for a policy or policies of broad form comprehensive general liability insurance insuring Tenant against liability for bodily injury, property damage (including loss of use of property) and personal injury arising out of the operation, use or occupancy of the Premises. The amount of such insurance shall be One Million Dollars ($1,000,000.00) per occurrence, and Two Million Dollars ($2,000,000.00) aggregate. All such policies shall name Landlord as an additional insured with respect to the operations and activities of Tenant on the Premises. Each such policy shall include an undertaking by the insurer to give Landlord ten (10) days prior written notice of any cancellation or change in scope or amount of coverage of such policy. In the event Tenant has not maintained insurance, Landlord may, but shall not be obligated to, provide the insurance, with the cost thereof being payable with the next installment of Fixed Rent.

8.2 Tenant's Indemnity. Tenant shall indemnify, defend and save Landlord harmless from and against any and all claims, actions, damages, liabilities and expenses (including reasonable attorneys' fees through all trial and appellate proceedings and costs) in connection with loss of life, personal injury and/or damage to property arising from or relating to the following: (1) any occurrence in, upon, or at the Premises resulting from the negligent acts or omissions of Tenant or Tenant's agents, contractors or employees, (2) Tenant's use of and operation in the Premises, or (3) any breach of this Lease by Tenant.

## 9. WAIVER OF SUBROGATION RIGHTS

9.1 Landlord and Tenant shall each, forthwith after the execution of this Lease, procure from and cause each of the insurers under all policies of insurance, including but not limited to liability, fire, and property, now or hereafter during the term hereof existing and purchased by either or both insuring or covering the Premises a waiver of all rights of subrogation which the insurer under said policies might otherwise, if at all, have as against the other hereto, said waiver to be in writing and for the express benefit of the other. Landlord and Tenant each waive all rights of recovery, claims, actions, or causes of action against the other (and against all agents, principals, partners, directors, shareholders, and employees of such other party) for any loss or damage that may occur to the Premises or the Project to the extent of any insurance proceeds actually received in connection with such loss or damage. Each party covenants that no insurer shall hold any right of subrogation against such other party and each party shall cause any policy of insurance required under this Lease to expressly include a waiver of subrogation in such policy. If either party is unable or unwilling to obtain a waiver of subrogation from its insurer, then such party shall name the other party as an additional insured under its commercial liability and casualty insurance.

## 10. REPAIRS AND MAINTENANCE

10.1 Tenant's Repairs. Excepting only matters to be repaired by Landlord as hereinafter provided, Tenant during the entire term of this Lease and any extensions thereof shall keep and maintain the Premises and every part thereof in good order, condition, and repair. Tenant shall repair and maintain any Operating System(s) (as hereinafter defined) located entirely within and exclusively serving the Premises.

If Tenant is required to replace any Operating Systems (or any component thereof) as part of Tenant's repair and maintenance duties under this Lease, Tenant shall only be obligated to pay that portion of the cost of such replacement (a "Capital Cost") that bears the same proportion to the total amount of such Capital Cost as (a) the remaining term of this Lease on the date such replacement was constructed or installed bears to (b) the useful life of the Capital Improvement and Landlord shall pay the remaining portion of such Capital Cost. For the purpose of this Lease, an item of repair or maintenance shall be deemed to be a replacement if the cost thereof is required to be amortized (as opposed to expensed) under generally accepted accounting principles. If Landlord fails to reimburse Tenant for Landlord's share of such Capital Cost within sixty (60) days after Tenant bills Landlord for same, Tenant may (as its nonexclusive remedy) deduct the cost thereof against the next installment(s) of Fixed Rent, additional rent, or other monetary obligations payable by Tenant under this Lease.

10.2 Landlord's Repairs. Landlord shall repair and maintain in good order, condition and repair the following: (i) all plumbing, heating, ventilation, air conditioning, gas, electrical, and other building operating and/or utility systems (the "Operating Systems") serving more than one tenant and/or premises in the J.S. Young Building, (ii) the Common Areas and improvements serving the J.S.Young Building, including but not limited to the parking lots serving the Premises,(iii) the roof, foundation, exterior walls, and structural components of the Premises and the J.S. Young Building, and (iv) Landlord shall maintain adequate security guards and security systems with respect to the J.S. Young Building. Subject to the provisions of

Section 10.3, Tenant shall reimburse Landlord for Tenant's Share of all costs and expenses incurred by Landlord in performing its repair and maintenance obligations under this Section 10.2(i) and 10.2(ii) (after deducting any fees, revenues or other income from the operation of the gated and paid for parking) ("CAM Charges"), which payment and reimbursement shall be in the time and manner specified in Article 6 of this Lease. If any item of CAM Charge is attributable to the J.S. Young Building (or its related Common Areas and improvements) and other areas of the Project, Landlord may allocate and include in the CAM Charges for the J.S. Young Building that portion of such common charge that is reasonably attributable to the J.S. Young Building.

10.3 Exclusions from CAM Charges. Notwithstanding anything to the contrary contained in this Lease, CAM Charges shall not include any of the following: (1) Costs for repair and maintenance required to be performed under this Lease at Landlord's sole cost and expense (including, without limitation, those under Section 10.2(iii)); (2) Legal fees, brokerage fees, leasing commissions, advertising costs or other related expenses incurred by Landlord in connection with the leasing of space within the Project; (3) Expenses for repairs or replacements made to rectify or correct any design, construction or latent defects in the Project; (4) Expenses for repairs, maintenance or other work occasioned by condemnation, fire or casualty; (5) Expenses for repairs or other work occasioned by the negligence or misconduct of Landlord, Landlord's employees, contractors or agents; (6) Salaries, wages and benefits of Landlord's employees, to the extent such employees have performed services on behalf of Landlord which are not directly related to the operation and management of the Project; (7) Management fees paid by Landlord, to the extent same exceed five (5%) percent of the gross revenue of the Project; (8) Landlord's off-site office, staff, benefits, rental, telephone, postage or other general overhead expenses, to the extent same are not related to the operation and management of the Project; (9) Legal fees, accounting fees and other expenses incurred in connection with disputes with tenants or occupants of the Project, or associated with the enforcement of the terms of any leases with tenants or the defence of Landlord's title to or interest in the Project; (10) Costs incurred due to violation by Landlord or any other tenant of the Project of the terms or conditions of any lease and any fines, penalties or other costs incurred due to violations by Landlord or any other tenant of any applicable law, rule or regulation of any government authority; (11) Costs (including permits, licensing and inspection fees) incurred in renovation or otherwise improving, decorating, painting or altering space for tenants or other occupants or a vacant space (excluding common areas) in the Project; (12) Costs of any capital improvements to the Project, except to the extent same are amortized on a straight line basis over the useful life of such improvements and shall result in a savings in CAM Charges over the original Term of the Lease which equals or exceeds, annually, the annual amortized costs of such capital improvements; (13) Amortization, debt service and other payments with respect to any debts secured by mortgage on the Project: (14) Depreciation of the Project; (15) Expenses incurred in performing work or furnishing services for individual tenants, which work or services are in excess of the work and services to be provided to such tenants under their respective leases; (16) All expenses incurred by Landlord which are subject to reimbursement by other tenants of the Project or by other parties (including, without limitation, utility charges and/or expenses for repair and replacement covered by insurance proceeds or condemnation awards); (17) Costs of contesting the amount or validity of any taxes, charges or assessments against the Project, except to the extent same shall result in a savings in CAM Charges over the original term of the Lease which equals or exceeds the cost of such contest; (18) Any costs required to comply with any law, ordinance or regulation hereafter affecting the Project; or (19) Any and all other expenses of Landlord which under

generally accepted accounting principles would not be considered to constitute reasonable expenses for the operation and maintenance of the Project. For the purpose of this Lease, a repair shall be deemed to be a "capital improvement" if the cost thereof is required to be amortized under generally accepted accounting principles. CAM Charges for the Project shall be reasonable, customary and competitive, according to standards of other centers of similar quality in the same geographic area as the Project. Landlord shall not collect in excess of 100% of the CAM Charges for the Project and shall not recover the cost of any item more than once.

10.4 Tenant's Performance of Landlord's Repair Duties. Should Landlord fail to commence the making of such repairs or the performance of such maintenance as it is obligated to do by the terms hereof within ten (10) days after written notice to Landlord (unless such repairs or the performance of such maintenance is not reasonably possible to perform within said ten (10) day, and in that event, Landlord shall not be in default hereunder as long as Landlord commences the physical on-site performance of such repair within such ten (10) day period and thereafter is diligently making all commercially reasonable efforts to complete such repair and/or maintenance). Tenant may (but shall not be obligated so to do) cause such repairs to be made or such maintenance to be performed and, upon demand by Tenant, Landlord shall promptly pay to Tenant the reasonable cost and expense thereof. Should Landlord fail to pay the reasonable cost and expense authorized under this section within sixty (60) days after Tenant serves Landlord with an invoice itemizing such costs and including copies of all bills incurred in connection therewith, Tenant may deduct and offset the amount from rent payable hereunder. When Tenant makes such demand for payment, Tenant shall furnish Landlord an itemized statement of the repairs and charges at the time such demand is made and hereafter shall substantiate such demand by proper invoices.

10.5 Landlord's Performance of Tenant's Repair Duties. Should Tenant after notice from Landlord fail to make with reasonable promptness any repairs which are the obligation of Tenant hereunder, Landlord may (but shall not be required so to do) enter the Premises and put the same in good order, condition, and repair; and the reasonable cost thereof shall become due and payable by Tenant to Landlord upon demand. When Landlord makes such demand for payment, Landlord shall furnish Tenant an itemized statement of the repairs and charges at the time such demand is made and thereafter shall substantiate such demand by proper invoices.

10.6 Emergency Repairs. Notwithstanding any contrary provisions of Article 10, if any repair or maintenance for which Landlord is obligated be of an emergency nature which if not attended to immediately will or might result in injury or damage to persons or property, or interfere with the conduct of Tenant's business at the Premises, then Tenant without prior notice to Landlord may make such emergency repairs or perform such maintenance as is necessary to meet the emergency and upon demand by Tenant, Landlord shall promptly pay to Tenant the reasonable cost and expense thereof. In the event of such an emergency, Tenant shall always endeavor to contact Landlord before any such repair is made and shall notify Landlord as soon as possible, in any event.

## 11. REAL PROPERTY TAXES

11.1 Landlord's Payment and Tenant's Reimbursement. Landlord shall pay all real property taxes and assessments on the Premises and the Project during the term hereof. Tenant

shall reimburse Landlord for Tenant's Share of such real property taxes concurrently with Tenant's payment of the Fixed Rent. Landlord shall not voluntarily include the Premises or the Project in any general or special assessment district or voluntarily subject the Premises or the Project to any general or special assessments without Tenant's prior written consent and any general or special assessments levied against the Project or the Premises without Tenant's prior written consent in violation of the provisions of this Lease shall not be included in the definition of real property taxes.

11.2 Exclusions for Taxes. Tenant's Share of real property taxes levied or assessed against the Project and/or the Premises shall expressly exclude (i) any federal, state or local documentary transfer or similar taxes imposed and assessed in connection with the execution, delivery and/or recordation of any deed or conveyance of title to the Project and/or the Premises, (ii) any late or delinquency fees, penalties or costs associated with the late payment of such real property taxes and/or assessments, and/or (iii) any statutorily mandated increase in real property taxes associated with any change in ownership of the Project of the Premises (to the extent that such increase exceeds the amount of real property taxes that would have been assessed against the Premises and/or the Project had the change in ownership not occurred).

11.3 Prorations. Any tax or assessment relating to a fiscal period, a part of which is not included within the term of this Lease, shall be prorated so that Tenant shall pay only that portion thereof which relates to the tax period included within the term of this Lease.

11.4 Landlord's Right to Contest Tax Assessments. Landlord may contest the amount or validity of any tax or assessment which it is required to pay under the terms of this Lease and may for such purpose institute proceedings required to obtain relief. All costs associated with such a contest shall be chargeable by Landlord as part of the real estate taxes; provided, however, that Landlord shall only be entitled to charge its cost of appealing and challenging such taxes and assessments to the extent of any verifiable reduction in such taxes and assessments resulting from such appeal and challenge.

## 12. PERSONAL PROPERTY TAXES

12.1 Tenant shall pay any and all taxes and assessments levied or assessed, and becoming payable during the term hereof, upon Tenant's personal property located upon the Premises.

## 13. DELIVERY

13.1 Construction of Landlord's Work.

(a) Landlord's Delivery Time Table. Landlord shall deliver the Premises to Tenant containing (at a minimum) the alterations, additions, and improvements described in the work letter attached as Exhibit "C." Landlord's work may be pre-existing in the Premises (in which case such pre-existing alterations, improvements and additions shall comply with the specifications [if any] contained in Exhibit "B")(the or may require the construction and installation by Landlord of additional alterations, improvements and additions ("Landlord's Construction Work"). Landlord shall use best efforts to complete Landlord's Work and deliver

possession of the Premises to Tenant in broom-clean condition (free of all debris) and free of any other tenants or occupants by August 1, 1997 (the "Scheduled Completion Date"). If Landlord fails to substantially complete Landlord's Work and deliver possession of the Premises to Tenant in broom-clean condition (free of all debris) and free of any other tenants or occupants for any reason (including, without limitation, any holdover by any existing tenant or occupant of the Premises [or any portion thereof]) by the Scheduled Completion Date, Landlord shall pay Tenant Three Hundred Thirty Three Dollars ($333.00) for each day of delay from and after the Scheduled Completion Date until Landlord's Work is substantially completed and possession of the Premises is delivered to Tenant. At Tenant's option, Tenant may offset any delay damages against Rent payable under this Lease. If Landlord fails to substantially complete Landlord's Work within sixty (60) days after the Scheduled Completion Date, Tenant shall have the further right (in addition to the delay damages described in the preceding sentence and as its nonexclusive remedy) to terminate this Lease.

## 14. TENANT'S ALTERATIONS AND IMPROVEMENTS

14.1 Tenant's Alterations. Other than as may be required in connection with its installation of trade fixtures, Tenant agrees not to make or suffer to be made any structural alterations of the Premises or any non-structural alterations in excess of $25,000 in any calendar year, without the written approval of Landlord first had and obtained, which approval shall not be unreasonably withheld. Any additions or alterations to the Premises, other than movable partitions and trade fixtures, shall become a part of the realty and belong to Landlord at the expiration or earlier termination of the Lease, subject to Landlord's right to require their removal as provided by this Section. By written notice served on Tenant not later than thirty (30) days before the expiration of the term,Landlord shall have the right to require Tenant to remove any alterations and additions in the Premises if same (i) were not part of the initial Tenant Improvements, (ii) were constructed and installed by Tenant, (iii) required Landlord's consent and approval of same, and (iv) Landlord notified Tenant in writing at the time Landlord consented to such alteration, improvement and addition that Landlord will require Tenant to remove same at the expiration of the term.

14.2 Tenant's Work. Subject to Tenant's rights under Section 14.1, Tenant shall have the right to construct and install alterations, additions and improvements in and to the Premises ("Tenant's Work"), which Tenant's Work shall be constructed, installed and paid for in the manner prescribed by the Work Letter attached hereto as Exhibit "B."

## 15. ASSIGNMENT AND SUBLETTING

15.1 General Limitations. Subject to the provisions of Section 15.2, Tenant may not sublet the Premises or assign this Lease without the consent in writing of Landlord first had and obtained, which consent will not be unreasonably withheld or delayed. Landlord's consent shall not be deemed unreasonably withheld if the proposed assignee or sublessee is not reasonably credit-worthy to discharge the obligations imposed by this Lease or intends to use the Premises (i) for a use in violation of any exclusive uses afforded to other tenants in the Project or (ii) in competition with the use then-being made by another Tenant in the Project. If the proposed assignee or sublessee is not reasonably credit-worthy to discharge the obligations imposed by this Lease or intends to use the Premises (i) for a use in violation of any exclusive uses afforded

to other tenants in the Project or (ii) in competition with the use then-being made by another Tenant in the Project, Landlord's consent may be arbitrarily withheld. No assignment or subletting shall release Tenant from its liabilities and responsibilities assumed under the provisions of this Lease and Tenant shall remain primarily liable hereunder. Any assignment contrary to the provisions of this Lease shall be null and void.

If Tenant desires to sublease all or any portion of the Premises or assign this Lease in a transaction requiring Landlord's consent, Tenant shall request Landlord's consent in writing.

(a) Assignments. In connection with a request for Landlord's consent regarding a proposed assignment of this Lease (other than an Exempt Assignment under Section 15.2), Landlord shall have ten (10) working days after the receipt of Tenant's request for Landlord's consent together with all financial information reasonably available concerning the proposed assignee to either (i) consent to such assignment, (ii) elect to recapture the Premises, or (iii) refuse consent to the proposed assignment. If Landlord fails to elect one of the three options afforded by this Section within said ten (10) day period, such failure shall be deemed a consent to such assignment.

(b) Subleases. In connection with a request for Landlord's consent regarding a proposed sublease of the Premises, Tenant shall also advise Landlord if Tenant elects to subject the portion of the Premises proposed to subleased (the "Subleased Premises") to recapture. If Tenant fails to advise Landlord that Tenant elects to subject the Premises to recapture, then such failure shall be deemed an election by Tenant to not subject the Premises to recapture.

(i) If Tenant's notice advises Landlord that Tenant elects to subject the Subleased Premises to recapture, then Landlord shall have ten (10) working days after the receipt of Tenant's request for Landlord's consent together with all financial information reasonably available concerning the proposed sublessee to either (i) consent to such sublease, (ii) elect to recapture the Subleased Premises, or (iii) refuse consent to the proposed sublease. If Landlord fails to elect one of the three options afforded by this Section within said ten (10) day period, such failure shall be deemed a consent to such sublease.

(ii) If Tenant's notice advises Landlord that Tenant elects not to subject the Subleased Premises to recapture or is deemed to have elected to not subject the Subleased Premises to recapture by failing to affirmatively advise Landlord of Tenant's election to subject the Subleased Premises to recapture, then Landlord shall have ten (10) working days after the receipt of Tenant's request for Landlord's consent together with all financial information reasonably available concerning the proposed sublessee to either (i) consent to such sublease or (ii) refuse consent to the proposed sublease. If Landlord fails to serve notice of Landlord's refusal to consent to such sublease within said ten (10) day period, such failure shall be deemed a consent to such sublease.

(c) If Landlord exercises any recapture right under this Lease, Tenant shall pay Landlord six (6) month's Fixed Rent upon the date Landlord retakes possession.

15.2 Exempt Assignments and Subleases. Notwithstanding the foregoing provisions, Landlord's consent shall not be required for (i) any assignment of this Lease or any sublease of

the Premises to any parent, subsidiary, or affiliated corporation or other legal entity of Tenant, to any corporation or other legal entity resulting from any merger or other reorganization of Tenant, to any successor acquiring all or substantially all of Tenant's assets, or to any successor who acquires Tenant's business at the Premises or (ii) for any sublease or license of a portion of the Premises (the "Licensed Space") not involving the construction of any demising walls separating the Licensed Space from the balance of the Premises.

15.3 Procedure for Obtaining Consent. In connection with a request for Landlord's consent regarding a proposed assignment of this Lease or sublease of all or part of the Premises (other than an Exempt Assignment or sublease under Section 15.2), Landlord shall have ten (10) working days after the date of service of Tenant's request for Landlord's consent together with all financial information reasonably available concerning the proposed assignee or sublessee to either (i) consent to such assignment or sublease, (ii) refuse consent to the proposed assignment, or (iii) (if applicable) elect to recapture the Premises (or portion thereof that is the subject of any proposed sublease). If Landlord fails to elect one of the three options afforded by this Section within said ten (10) working day period, such failure shall be deemed a consent to such assignment or sublease. If Landlord refuses his consent, Landlord's refusal shall be in writing and shall identify each and every basis upon which such consent is refused.

## 16. UTILITIES

16.1 Tenant shall pay, throughout the term of this Lease, for all heat, water, light, gas, power, and other services supplied to the Premises.

## 17. RIGHT TO INSPECTION

17.1 Upon twenty-four (24) hours prior notice (except in the event of an emergency, when no notice shall be required), Landlord shall have the right to enter upon the Premises for the purposes of inspection, serving or posting notices, making any necessary repairs to the Premises, complying with laws, ordinances, or regulations, protecting the Premises, or any other lawful purpose. Landlord shall exercise such rights reasonably, during ordinary business hours, and in such manner as not to interfere unreasonably with the business of Tenant.

## 18. CASUALTY DAMAGE

18.1 Timing for Repair and Restoration. If the Premises or the Project shall be damaged or destroyed by any casualty during the term of this Lease, Landlord shall promptly and diligently restore the same substantially to the condition thereof immediately prior to such damage or destruction. If the Landlord fails to commence the physical on-site performance of such repair and restoration work within sixty (60) days after the date of such damage or destruction or fails to substantially complete such repairs and restorative work within one hundred and twenty (120) days after the date of such damage or destruction, Tenant shall have the right (as its non-exclusive remedy) to cancel this Lease on written notice to Landlord. If Tenant elects to cancel this Lease as provided above, such cancellation shall be effective on the earlier of (a) one year after the date of Tenant's notice of cancellation or (b) the date Tenant surrenders possession of the Premises.

18.2 Abatement of Rent and Operating Costs During Restoration. During any period of restoration of the Premises, the Fixed Rent payable and Tenant's Share of Operating Costs shall be equal to the product of the Fixed Rent payable by Tenant immediately before the damage and a quotient, the numerator of which is the amount gross sales from the Premises during the period of such damage and the denominator of which is the amount of gross sales from the Premises during the same period one year earlier; provided, however, that in no event shall the Fixed Rent and Tenant's Share of Operating Costs after the date of such damage or destruction and until the substantial performance of the restoration work exceed the product of the Fixed Rent payable immediately before such damage or destruction and a quotient, the numerator of which is the amount of usable square footage in the Premises that are undamaged and the denominator of which is the amount of usable square footage contained in the Premises immediately before such damage. If such damage or destruction materially affects the conduct of Tenant's business to the point that it is impractical from the standpoint of prudent management, then Tenant shall have the right to discontinue operations in the Premises and shall thereafter rent shall entirely abate until the Premises are restored.

## 19. CONDEMNATION

19.1 In the event any portion of the Premises or the improvements located thereon should be taken by condemnation or by deed in lieu of condemnation for any public or quasi-public use (each a "taking") and any such taking substantially interferes with the use of the Premises by Tenant, or in the event the number of parking stalls in the Project after any taking is reduced below eighty percent (80%) of the number of parking stalls existing in the Project immediately before such taking, then Tenant may elect in its reasonable discretion either (1) to terminate this Lease, effective upon the vesting of title in the applicable governmental or quasi-governmental entity or (2) to elect to continue to do business at the Premises. If Tenant elects to continue to do business in the Premises, the Fixed Rent shall be abated to reflect the Fair Market Rental value of the Premises in their condition following such taking; provided, however, that under no circumstance shall the Fixed Rent exceed the product of (i) the Fixed Rent payable before such damage and (ii) a quotient, the numerator of which is the usable square footage in the Building that are reasonably available for Tenant's use and occupancy after such damage and the denominator of which is the usable square footage contained in the Building immediately before such damage. Unless separately awarded to Tenant as part of any condemnation or deed in lieu of condemnation, Tenant shall be authorized to recover the unamortized portion (determined on a straight line basis and without interest from the commencement date to the then-scheduled expiration date) of the cost of any alterations, modifications, or additions constructed or installed in the Premises by Tenant at Tenant's sole cost and expense from any award made by the condemning authority to Landlord.

## 20. REQUIRED ALTERATIONS

20.1 In the event that during the term hereof any alteration, addition, or change be required by law, regulation, rule, or the requirements of any insurance company (as a condition to the issuance or continuation of insurance coverage) to be made to the Premises, or any portion thereof, then and in that event:

a. If any alteration, addition, or change is required to be made to the Premises by reason of

any request by Tenant for the issuance of any governmental permit for the improvement or alteration of the Premises or is required because of Tenant's particular type or mode of use of the Premises, then said alteration, addition, or change shall be made and paid for by Tenant;

b. If any alteration, addition, or change, is required to be made to the Premises or the Project for any reason other than set forth in Section 20.1.a (including, without limitation, alterations, additions or changes required by reason of the existence or nonexistence of anything a part of the Premises at the time of the execution hereof, by reason of any structural defect in the Premises, or by reason of Landlord's failure to perform any item of repair or maintenance which Landlord is required to perform under this Lease), then said alteration, addition, or change shall be made by Landlord at Landlord's sole cost and expense.

## 21. MECHANICS' LIENS

21.1 Tenant will not permit any liens to stand against the Premises for any labor or material furnished in connection with any work performed by or at the direction of Tenant. Landlord will not permit any liens to stand against the Premises for any labor or material furnished in connection with any work performed by or at the direction of Landlord. The party at whose direction it is asserted labor and material were furnished may contest the validity or amount of any such lien, but such party shall cause the property to be released from said lien, by the posting of bond or otherwise, within twenty (20) days after knowledge of this lien.

## 22. TENANT'S DEFAULT AND LANDLORD'S REMEDIES

22.1 Tenant's Defaults. The following shall be, upon the expiration of any cure period, an Event of Default under this Lease. Tenant shall be in default under this Lease in the event of any failure to pay Fixed Rent, or the failure to pay any Additional Rent which failure is not cured within ten (10) days after written notice, or in the event of any breach of this Lease by Tenant, which breach is not cured within thirty (30) days after written notice (provided, however, that if the nature of the default is such that it cannot be reasonably cured within such thirty (30) day period, Tenant shall not be in default if Tenant begins any performance required to cure such default within the thirty (30) day period and thereafter diligently and uninterruptedly prosecutes such cure to completion).

22.2 Landlord's Remedies. Upon the occurrence of any default by Tenant under this Lease, Landlord, along with all other rights and remedies it may have, shall have the following rights:

22.2.1 Landlord s Remedies - During the continuance of any Event of Default, Landlord may, at its option, refrain from terminating Tenant s right of possession and enforce against Tenant the provisions of this Lease for the full Term, or give to Tenant a written notice of its intention to terminate this Lease, in which latter event the Term shall expire at noon upon the fifth (5th) day following the date upon which such notice is given as fully and completely as if that day were the date fixed for the expiration of the Term, without the necessity of any legal process whatsoever; provided always, however, that Tenant shall remain liable to pay the monthly deficiencies throughout the full stated Term, as hereinafter provided. Tenant, upon such a termination of this Lease, shall thereupon quit and surrender the Leased Premises to Landlord (or, if not yet in possession, shall no longer have any right to possession of the Leased Premises),

and Landlord, its agents and servants, may immediately, or at any time thereafter, re-enter the Leased Premises and dispossess Tenant, and remove any and all persons and any or all property therefrom either by summary dispossession proceedings or by any suitable action or proceeding at law without being liable to prosecution or damages therefor. In no event shall any act by Landlord be deemed to constitute a waiver of any kind with respect to Landlord s right to receive payment in full of all Rent due hereunder.

22.2.2 Tenant s Continuing Liability - In the event of such re-entry or retaking by Landlord, Tenant shall nevertheless remain in all events liable and answerable for the full Rent to the date of retaking or re-entry, and Tenant shall also be and remain answerable in damages for the deficiency or loss of Rent which Landlord may thereby sustain in respect of the balance of the Term; and in such case Landlord reserves full power, which is hereby acceded to by Tenant, to let said Leased Premises for the benefit of Tenant (and Landlord hereby agrees that in the event of such re-entry or retaking, it shall use commercially reasonable efforts to relet the Premises, which shall include listing the Premises with a licensed commercial real estate broker) in liquidation and discharge, in whole or in part, as the case may be, of the liability of Tenant under the terms and provision of this Lease, and such damages, if ascertainable, and at the option of the Landlord, may be recovered by it at the time of the retaking or re-entry, or in separate actions, from time to time, as Tenant s obligation to pay Rent would have accrued if the term had continued, or from time to time as said damages shall have been made more easily ascertainable by reletting of the Leased Premises; or such action by Landlord may at the option of Landlord be deferred until the expiration of the Term, in which latter even the cause of action shall not be deemed to have accrued until the date of the termination of said Term. All rents received by Landlord in any such reletting shall be applied first to the payment of such expenses as Landlord may have incurred in recovering possession of the Leased Premises and in reletting the same, second, to the payment of any costs and expenses incurred by Landlord either for making necessary repairs to the Leased Premises or in curing any default on the part of Tenant in any covenant or condition herein made binding upon Tenant, and, last, any remaining rent shall be applied toward the payment of Rent due from Tenant under the terms of this Lease, with interest the rate of fifteen percent (15%) per annum; and Tenant expressly agrees to pay upon demand any deficiency then remaining.

22.2.3 Lien for Payment - Intentionally Omitted

22.2.4 Remedies Cumulative - The foregoing remedies are cumulative and in addition to, and not in substitution of, any other remedies that may be afforded Landlord at law or in equity.

22.2.5 Attorney s Fees - If Tenant fails to pay any installment of Fixed Rent or Additional Rent when due, Tenant shall be solely responsible for and shall pay to Landlord as Additional Rent all costs, fees and expenses incurred by Landlord in connection with the enforcement of this Lease, the pursuit of any of Landlord s remedies hereunder and the collection of any sum, charges or amounts due hereunder, including, without limitation, reasonable attorney s fees, regardless of whether or not Landlord enters into litigation with respect thereto.

22.3 Bankruptcy or Insolvency

22.3.1 In the event that Tenant shall become a Debtor under Chapter 7 of the

Bankruptcy Code, and the Trustee or Tenant shall elect to assume this Lease, such election shall be made within sixty (60) days after the filing of the Petition in Bankruptcy; otherwise, this Lease shall be deemed to have been rejected. Landlord shall be thereupon be immediately entitled to possession of the Leased Premises without further obligation to Tenant or Trustee, and this Lease shall be canceled, but Landlord s right to be compensated for damages in such liquidation proceeding shall survive.

22.3.2 In the event that a Petition for reorganization or adjustment of debts is filed concerning Tenant under Chapters 11 or 13 of the Bankruptcy Code, or a proceeding is filed under Chapter 7 of the Bankruptcy Code and is transferred to Chapters 11 or 13, the Trustee or Tenant, as Debtor-In-Possession, must elect to assume this Lease within seventy-five (75) days from the date of the filing of the Petition under Chapters 11 or 13, or the Trustee or Debtor-In-Possession shall be deemed to have rejected this Lease. No election by the Trustee or Debtor-In-Possession to assume this Lease, whether under Chapters 7, 11 or 13, shall be effective unless each of the following conditions, which Landlord and Tenant acknowledge are commercially reasonable in the context of a bankruptcy proceeding of Tenant, have been satisfied, and Landlord has so acknowledged in writing:

22.3.2.1 The Trustee or the Debtor-In-Possession has cured, or has provided Landlord adequate assurance (as defined below) that:

22.3.2.1.1 Within ten (10) days from the date of such assumption the Trustee will cure all monetary defaults under this Lease; and

22.3.2.1.2 Within thirty (30) days from the date of such assumption the Trustee will cure all non-monetary defaults under this Lease.

22.3.2.2 Intentionally Omitted

22.3.2.3 The Trustee or the Debtor-In-Possession has provided Landlord with adequate assurance of the future performance of each of Tenant s, Trustee s, or Debtor-In-Possession s obligations under this Leased; provided, however, that:

22.3.2.3.1 The Trustee or Debtor-In Possession shall also deposit with Landlord, as security for the timely payment of Rent, an amount equal to three (3) months Rent and other monetary charges accruing under this Lease; and

22.3.2.3.2 The obligations imposed upon the Trustee or Debtor-In-Possession shall continue with respect to Tenant or any assignee of the Lease after the completion of bankruptcy proceedings.

22.3.2.4 The assumption of this Lease will not:

22.3.2.4.1 Breach any provision of any other lease, mortgage, financing agreement or other agreement by which Landlord is bound relating to the Project; or

22.3.2.4.2 Disrupt, in Landlord s reasonable judgment, the tenant mix of the Project of any of the attempt by Landlord to provide a specific variety of retail stores in the Project which, in Landlord s judgment, would be most beneficial to all of the tenants of the Project and would enhance the image, reputation, and profitability of the Project.

22.3.2.4.3 For purposes of this Section 22, Landlord and Tenant acknowledge that, in the context of a bankruptcy proceeding of Tenant, at a minimum adequate assurance shall mean:

(i) The Trustee or the Debtor-In-Possession has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that the Trustee or Debtor-In-Possession will have sufficient funds to fulfill the obligations of Tenant under this Lease, and to keep the Leased Premises stocked with merchandise and property staffed with sufficient employees to conduct a fully-operational, actively promoted business on the Leased Premises; and

(ii) To the extent permitted by Tenant's obligations to any secured lenders, the Bankruptcy Court shall have entered an Order segregating sufficient cash payable to Landlord and Tenant, Trustee or Debtor-In-Possession shall have granted a valid and perfected first lien and security interest and/or mortgage in property of Tenant located at the Premises, Trustee or Debtor-In-Possession, acceptable as to value and kind to Landlord, to secure to Landlord the obligation of the Trustee or Debtor-In-Possession to cure the monetary and/or non-monetary defaults under this Lease within the time periods set forth above.

22.3.3 In the event that this Lease is assumed by a Trustee appointed for Tenant or by Tenant as Debtor-In-Possession under the provision of Section 23.2.2 hereof and thereafter Tenant is liquidated or files a subsequent Petition for reorganization or adjustment of debts under Chapters 11 or 13 of the Bankruptcy Code, then, and in either of such events, Landlord may, at its option, terminate this Lease and all rights of Tenant hereunder, by giving Tenant written notice of its election to so terminate, by no later than thirty (30) days after the occurrence of either of such events.

22.3.4 If the Trustee or Debtor-In-Possession has assumed this Lease pursuant to the terms and provision of Sections 22.3.1 and 22.3.2 herein, for the purpose of assigning Tenant s interest under this Lease or the estate created thereby, to any other person, such interest or estate may be so assigned only if Landlord shall acknowledge in writing that the intended assignee has provided adequate assurance as defined in this Section 22.3.4 of future performance of all of the terms, covenants and conditions of this Lease to be performed by Tenant. For purposes of this Section 22.3.4, Landlord and Tenant acknowledge that, in the context of a bankruptcy proceeding of Tenant, at a minimum adequate assurance of future performance shall mean that each of the following conditions have been satisfied, and Landlord has so acknowledged in writing:

22.3.4.1 The assignee has submitted a current financial statement audited by a Certified Public Accountant (if available without special preparation) which shows a net worth and working capital in amounts reasonably determined to be sufficient by Landlord to assure the future performance by such assignee of Tenant s obligations under this Lease;

22.3.4.2 The assignee, if requested by Landlord, shall have obtained guarantees in form and substance reasonably satisfactory to Landlord from one or more persons who satisfy Landlord s reasonable standards of creditworthiness;

22.3.4.3 The assignee has submitted in writing evidence, reasonably satisfactory to Landlord, of substantial retailing experience in shopping centers of comparable size to the Project and in the sale of merchandise and services permitted under this Lease; and

22.3.4.4 Landlord has obtained all consents or waivers from any third party required under any lease, mortgage, financing arrangement or other agreement by which Landlord is bound to permit Landlord to consent to such assignment.

22.3.5 When, pursuant to the Bankruptcy Code, the Trustee or Debtor-In-Possession shall be obligated to pay reasonable use and occupancy charges for the use of the Leased Premises or any portion thereof, such charges shall not be less than the Minimum Annual Rent and Additional Rent.

22.3.6 Except as permitted by Article 15 and this Article 22, neither Tenant s interest in this Lease, nor any lesser interest of Tenant herein, nor any estate of Tenant hereby created, shall pass to any trustee, receiver, assignee of the benefit of creditors, or any other person or entity, or otherwise by operation of law under the laws of any state having jurisdiction of the person or property of Tenant (hereinafter referred to as the state law ) unless Landlord shall consent to such transfer in writing. No acceptance by Landlord of rent or any other payments from any such trustee, receiver, assignee, person or other entity shall be deemed to have waived, nor shall it waive the need to obtain Landlord s consent of Landlord s right to terminate this Lease for any transfer of Tenant s interest under this Lease without such consent.

22.3.7 In the event the estate of Tenant created hereby shall be taken in execution or by other process of law, or if Tenant or any guarantor of Tenant s obligations hereunder (hereinafter referred to as the guarantor ) shall be adjudicated insolvent pursuant to the provisions of any present or future insolvency law under state law, or any proceedings are filed by or against the guarantor under the Bankruptcy Code, or any similar provisions of any future federal bankruptcy law, or if a Receiver or Trustee of the property of Tenant or the guarantor shall be appointed under state law by reason of Tenant s or the guarantor s insolvency or inability to pay its debts as they become due or otherwise, of if any assignment shall be made of Tenant s or the guarantor s property for the benefit of creditors under state law; then and in such event Landlord may, at its option, terminate this Lease and all rights of Tenant hereunder by giving Tenant written notice of the election to so terminate within thirty (30) days after the occurrence of such event.

## 23. LANDLORD'S DEFAULT AND TENANT'S REMEDIES

23.1 Landlord's Defaults. Landlord shall be in default under this Lease if the Landlord fails to perform any of the terms, covenants, or conditions of this Lease within thirty (30) days after written notice from Tenant of said failure. If the default cannot be reasonably cured within

thirty (30) days, Landlord shall not be in default if Landlord begins to cure within the 30-day period and diligently proceeds the cure to completion.

23.2 Tenant's Remedies. On the occurrence of any default by Landlord, Tenant shall have all rights and remedies provided at law, in equity, or under this Lease

23.3 Landlord s Inability to Perform - Whenever Landlord shall be required by the terms of this Lease or otherwise to make any improvements or repairs, to furnish any services to, make reconstruction of the Leased Premises, or to fulfill any other obligation hereunder, and Landlord shall be delayed in, or presented from, so doing, Landlord shall not be deemed thereby to be in default, this Lease and the obligation of Tenant to pay Rent hereunder and to perform all of the other covenants and agreements hereunder on the part of Tenant to be performed shall in nowise be affected, impaired, or excused, and any time limit herein fixed for Landlord s performance thereof shall be extended, if and so long as Landlord s non-performance, delay or default shall be caused by reason of strike of labor troubles, Acts of God, accidents, any rules, order or regulation of any department, or subdivision thereof, of any governmental agency governmental, preemption in connection with a national emergency or war, the condition of supply and demand which have been affected by war or other emergency, or any other cause beyond Landlord s reasonable control (collectively and alternatively a "Force Majeure Condition"), and if Landlord notifies Tenant in writing within three (3) working days after the occurrence of a Force Majeure Condition that a Force Majeure Condition has occurred and will delay Landlord's performance.

## 24. SUBORDINATION

24.1 Subordination. This Lease shall be subordinate to any mortgage or deed of trust that may encumber the Premises at the date hereof, and to any and all advances made thereunder and to interest thereon and to all renewals, replacements, and extensions thereof. If requested by Tenant, Landlord shall obtain a subordination, recognition, and non-disturbance agreement (a "Subordination Agreement") from any ground lessors, mortgagees, beneficiaries, or other lienholders (collectively and alternatively referred to as "Mortgagee") of any ground lease, mortgage, deed of trust, or other encumbrance presently affecting the Premises (collectively and alternatively referred to as "Mortgage"). This Lease will and shall be senior and superior to any Mortgages hereinafter placed upon the interest of the Landlord in the Premises; provided, however, that this Lease can and will be made junior and subordinate to any Mortgage hereinafter placed upon the interest of Landlord in the Premises if, and only if, Landlord obtains and delivers a Subordination Agreement to Tenant.

24.2 Form of Subordination Agreement. Any Subordination Agreement shall be in a form and content acceptable to Tenant and shall require the Mortgagee to recognize this Lease in the event of any foreclosure of such Mortgage, to not name Tenant in any foreclosure action relating to such Mortgage, to not disturb Tenant's possessory rights in the Premises so long as Tenant pays the rent and performs the obligations specified under this Lease, to assume and perform all the Landlord's obligations under this Lease during the period such Mortgagee holds title to the Premises or directs Tenant to pay the rent to the Mortgagee prior to foreclosure of the Mortgage, and to obtain and deliver to Tenant an original, fully-executed counterpart of a written

instrument wherein such successor expressly agrees for the benefit of Tenant to assume all of Landlord's obligations under this Lease.

24.3 Financing Agreement. Landlord will cooperate with Tenant in executing any documents reasonably required to affect any financing by Tenant of this Lease or Tenant's operations in the Premises, so long as such documents will not subject Landlord's interest in the Project to any forfeiture, encumbrance or lien. Landlord's obligations under this section shall include (without limitation) the duty to make non-material changes in this Lease (excluding any obligation to pay rent or additional rent and excluding any change in the length of the term), to give notices of default to Tenant's lender upon the occurrence of a default by Tenant under this Lease, to accept performance by Tenant's lender as the same as performance by Tenant, and to allow Tenant's lender to succeed to Tenant's interest in this Lease and in the Premises following and foreclosure of Tenant's interest in this Lease and the Premises by Tenant's lender.

24.4 Payments to Lender. If Tenant is directed in writing by any Mortgagee to pay rentals directly to such Mortgagee, its designated agent or any court appointed receiver, Landlord agrees that Tenant may make such payments as directed by Mortgagee and may rely upon the written notice received from Mortgagee without further investigation into the propriety of the Mortgagee's notice or the existence of any defaults by Landlord in its obligations to the Mortgagee under the Mortgage. Landlord agrees that any payments by Tenant in accordance with the direction contained in any notice received from the Mortgagee shall not constitute an event of default under this Lease.

## 25. ESTOPPEL CERTIFICATES

25.1 Execution of Certificates. At any time and from time to time upon not less than twenty (20) days prior written request by Landlord or Tenant (as the case may be), the other party will execute, acknowledge, and deliver a statement in writing certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications), the dates to which the fixed rent and other charges have been paid in advance (if any), and any other information reasonably requested by such party. Any such statement delivered pursuant to this Section 25 may be relied upon by any prospective purchaser, mortgagee, or assignee of any mortgage and by any sublessee, assignee or encumbrancer of the Premises.

25.2 Party Signing Certificate. For the purpose of any estoppel or other certification required to be executed and delivered by Landlord or Tenant, a party's "knowledge" shall mean and be limited to the actual knowledge of the individual signing the estoppel certificate on behalf of such party (without imputation of any knowledge from any of such party's other employees, agents, contractors, or attorneys and without any investigation or inquiry). The individual signing the estoppel or other certificate on behalf of Landlord or Tenant shall be the individual in charge of the administration of the Project or Tenant's real estate operations (as the case may be) and is the person that the employees of Landlord or Tenant (as the case may be) are required (in the ordinary course of business) to advise of information that is material and pertinent to the representations contained in the certificate.

## 26. SURRENDER

26.1 Upon termination of this Lease by lapse of time or otherwise, Tenant shall remove all of its inventory, equipment and trade fixtures from the Premises, repair any damage associated with such removal and surrender the Premises to Landlord in broom-clean condition, with all holes in excess of 1" patched [but not painted], and with all equipment in good order, condition and (repair, ordinary wear and tear from reasonable and normal use and damage from casualty excepted).

## 27. QUIET ENJOYMENT

27.1 Landlord covenants that it has a good right to lease the Premises for the term and upon the conditions herein specified and that Tenant may and shall peaceably and quietly have, hold, and enjoy the Premises for the term hereof and any extension or renewal of such term.

## 28. NOTICES

28.1 Methods of Service. All notices, requests or demands of any kind which either party is required or desires to give or make upon the other in connection with this Lease or arising out of the relationship created hereby, shall be in writing and shall be given or made either by mail, by overnight courier, or by facsimile transmission as provided by this Article 28. Any notice, request or demand by mail shall be made or given by United States registered or certified mail, postage prepaid, addressed in the case of Landlord to:

East Harbor Marine Center, L.L.C.
2701 Boston Street
Baltimore, MD 21224

and addressed in the case of Tenant to:
West Marine Products, Inc.
500 Westridge Drive
Watsonville, California 95076
Attn: Real Estate

Any notice by overnight courier shall be made or given by a nationally recognized overnight courier capable of providing a receipt or similar notice showing the date, time and recipient of delivery and shall be sent to Landlord or Tenant (as the case may be) at the address set forth above. Any notice by facsimile transmission shall be made or given to Landlord shall be sent to (410) 675-6646 and any facsimile transmission to Tenant shall be sent to (408) 728-5926 (or such other facsimile numbers as the parties may from time to time designate in the manner prescribed by this section). Any service by facsimile (1) shall be accompanied by a cover sheet showing the name of the recipient, the name of the sender, the number of pages in the transmission, and a telephone number to contact in case of an incomplete transmission; (2) shall be sent by a facsimile machine capable of generating a transmission record showing the number of pages sent, the date and time of the transmission, and an indication of any errors in the transmission; and (3) shall be followed by the mailing of a duplicate copy of the notice, demand,

or other written communication, the facsimile cover sheet, and the transmission record showing the transmission was sent without error (which mailing shall be sent to the recipient's address in the manner prescribed by the Lease for service by mail).

28.2 Effective Date of Service. Any notice, request or demand so sent shall be deemed to have been given upon receipt or refusal to accept receipt. Landlord or Tenant may change the address or facsimile telephone number by service of written notice to the other delivered in any method authorized by this Article 28.

28.3 Time of Performance. In the event the scheduled date for the performance and any act or the exercise of any right authorized, required, or permitted hereunder shall expire on a Saturday, Sunday, or legal holiday, the performance of such act or the exercise of such right shall be timely if performed or exercised on the next business day.

## 29. SIGNS

29.1 Building/Pylon Signage. Tenant shall have the right, subject to Landlord s sign criteria as referred to below and subject to approval by the Baltimore City Planning Board and its Design Advisory Panel, to construct and install the maximum building mounted signage over the Premises in the maximum size permitted by law. If the Project has any pylon, monument, or similar sign at or near a public street (a "Pylon Sign"), Tenant shall also have the right to install an additional sign at a prominent location on such Pylon Sign, so that Tenant's sign covers Tenant's Share of each sign face on such Pylon Sign. All signs installed by Tenant shall be installed and maintained by Tenant in accordance with all governmental regulations.

29.2 Signage-General. If Landlord has adopted any sign criteria, a copy thereof shall be attached to this Lease as an exhibit and Tenant's sign(s) shall comply with such criteria. If Landlord's consent to any sign is required under this Lease or under such sign criteria, Landlord's consent to any sign will not be unreasonably withheld or delayed. Any amendments to the sign criteria shall not effect any signs previously constructed and installed by Tenant. No consent or approval shall be required from Landlord for any window-mounted or other temporary promotional signs (although such signs shall be installed and maintained in accordance with all laws and ordinances). Without Tenant's prior written consent, Landlord shall not (i) remove, alter, or modify any sign installed in compliance with this Lease or (ii) construct or install any building-mounted exterior sign on or around Tenant's store front or on any exterior wall containing the Premises.

## 30. HOLDING OVER

30.1 Any holding over after the expiration of the term hereof shall be construed to be a tenancy from month to month and shall otherwise be on the terms and conditions herein specified so far as applicable, excepting the Fixed Rent which shall be 125% of the rent paid during the last month of the expired term.

## 31. SHORT FORM MEMO OF LEASE

31.1 For the purpose of giving notice of Tenant's rights to others dealing with any of

the real property referred to in this Lease and upon request of Tenant, Landlord agrees to execute, acknowledge, deliver, and record (in form and content satisfactory of Tenant) a "short form" or "memorandum" of this Lease, which shall set forth the provisions of this Lease restricting the use of said real property as well as any other provisions of this Lease requested by Tenant.

## 32. ATTORNEYS' FEES

32.1 Should either party institute any court or arbitration action or proceedings to enforce any provision hereof or for a declaration of such party's rights or obligations hereunder, the prevailing party shall be entitled to receive from the losing party such amounts as the court or the arbitrator may adjudge to be reasonable attorneys' fees for services rendered to the party prevailing in any such action or proceedings, and such fees shall be deemed to have accrued on the commencement of such action or proceedings and shall be enforceable whether or not such action or proceedings is prosecuted to judgment.

## 33. REAL ESTATE FEES

33.1 Tenant shall not be liable for any broker or real estate commissions in connection with this Lease, and Landlord shall be solely responsible therefor. Tenant warrants and represents that it has not been represented by any broker or finder in connection with this transaction except for Doppelt & Company ("Doppelt"). Tenant makes no representation or warranty concerning any brokers, finders, or other parties that may have represented Landlord in connection with the negotiation of this Lease. If Landlord fails to pay Doppelt any brokerage commission, finder's fee or other amount payable by Landlord to Doppelt in connection with the negotiation of this Lease within ninety (90) days after the Commencement Date of this Lease or within such longer period as may be prescribed by any separate agreement between Landlord and Tenant's broker, Tenant shall have the right (but not the obligation) to pay such broker's commission to Tenant's broker and offset the amount thereof against the next installment of rent payable under this Lease.

## 34. HAZARDOUS MATERIALS

34.1 Landlord covenants and warrants to Tenant that there are no Hazardous Materials located in, on, or under the Premises nor constructed or incorporated into the Premises. For purposes of the Lease, the term "Hazardous Materials" shall mean and include any flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, or any other chemical substances, the presence of which requires assessment and remediation under any applicable federal, state or local statute, regulation, ordinance, order, action, common law or policy including (without limitation) any hazardous wastes, hazardous substances, hazardous materials, toxic substances or toxic pollutants as these terms are used in the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq), the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601 et seq) the Hazardous Materials Transportation Act, the Toxic Substance Control Act (15 U.S.C. Section 2601 et seq), the Clean Air Act (42 U.S.C. Section 7401 et seq), the Clean Water Act (33 U.S.C. Section 1251 et seq), any regulations promulgated pursuant to any of the foregoing, and any other federal, state or local law regulating the use, generation, manufacture, storage, disposal or transportation of Hazardous Materials. Landlord shall hold harmless and indemnify Tenant against any

judgments, claims, damages, costs (including attorney's fees and costs) or liability whatsoever, express or implied, actual or vicarious, for any damages or costs of clean-up for any Hazardous Materials present upon the Premises or brought thereupon by anyone other than Tenant. If Tenant shall bring any such Hazardous Materials upon the Premises, then Tenant shall hold harmless and indemnify Landlord in the same manner as set forth hereinabove for any liability, and for those materials, identified hereinabove.

## 35. MISCELLANEOUS PROVISIONS

35.1 Captions. Captions of sections and parts of this Lease are for convenience only and shall not be considered in resolving any questions of interpretation or construction.

35.2 Covenants and Conditions. Whenever in this Lease words of obligation or duty are used, such words shall have the force and effect of covenants; subject in each case, to grace periods provided. Any obligation imposed by either party hereto shall include the imposition on such party of the obligation to pay all costs and expenses necessary to perform such obligation.

35.3 Binding on Successors and Assigns. Each and all of the covenants, provisions, and conditions of this Lease to be performed by or on the part of Landlord, and whether affirmative or negative in nature, are intended to and shall bind Landlord, its successors, tenants, and assigns at any time and from time to time, and shall inure to the benefit of Tenant, its successors, tenants, and assigns, and such covenants, provisions, and conditions are intended to be for the benefit of the Premises.

35.4 Rules of Construction. Both parties certify to their full familiarity with the provisions hereof and agree that the provisions hereof are not to be construed either for or against either party. The parties agree that any deletion of language from this Lease prior to its mutual execution by Landlord and Tenant shall not be construed to have any particular meaning or to raise any presumption, canon of construction or implication, including, without limitation, any implication that the parties intended thereby to state the converse, obverse or opposite of the deleted language.

35.5 No Joint Venture. Nothing herein contained shall be deemed for any purpose as creating any relation between the parties hereto other than the relationship of Landlord and Tenant.

35.6 Integration. This Lease contains all terms, covenants, and conditions between Landlord and Tenant relating in any manner to the rental, use and occupancy of the Premises; and all prior negotiations between the parties are merged herein.

35.7 Choice of Law. This Lease shall be governed exclusively by the provisions hereof and by the laws of the State in which the Premises are located, as the same from time to time exists.

35.8 Gender. As used in this Lease and when required by the context, each number (singular or plural) shall include all numbers, and each gender shall include all genders.

35.9 Time. Time is and shall be of the essence of this Lease and of each term or provision hereof.

35.10 Joint and Several Liability. To the extent Landlord or Tenant consists of more than one party, entity, or person, the obligations imposed by this Lease shall be joint and several.

35.11 Approval Standards. Except as may be expressly provided by this Lease, if Landlord's consent or approval to any act or request by Tenant is required by this Lease, Landlord's consent will not be unreasonably withheld or delayed.

35.12 Landlord's Cooperation. Landlord will cooperate with Tenant in all matters relative to the Premises, including required municipal consents and permits, and will execute all papers proper or necessary in connection therewith.

35.13 Definition of "Days". For the purpose of this Lease, any references to "working days" shall mean only Monday through Friday and shall exclude Saturday, Sunday, and all legal holidays recognized or observed by the federal government. In the event the scheduled date for the performance of any duty or obligation required to be performed by Tenant under this Lease or in the event the scheduled date for the exercise of any right or option contained therein shall fall on a Saturday, Sunday, or legal holiday, such performance or exercise by Tenant shall be timely if given or exercised on the next following working day.

35.14 No Oral Modifications. This Lease contains the entire agreement between the parties hereto and no change, waiver or modification of the terms of this Lease, except for Rules and Regulations, shall be binding unless in writing and signed by all of the parties hereto. Landlord has made no representations except as set forth in this Lease.

35.15 Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Lease.

35.16 No Personal Liability of Landlord. In no event shall Landlord, including any successor or assignee of all or any portion of Landlord s interest in the Building, be personally liable or accountable with respect to any provision of this Lease. If Landlord shall be in breach or default with respect to any obligation hereunder or otherwise, Tenant agrees to look for satisfaction solely to the equity of Landlord in the Leased Premises, the rents, issues, profits from the Project, any deposit, checking or other accounts in which the rents, issue and profits may be deposited, any insurance and/or condemnation proceeds, and any other proceeds of the foregoing; provided, however that if Landlord sells, conveys or otherwise transfers the fee title to the Project and/or the Premises, and if the transferee fails to assume all of Landlord's obligations in writing for the express benefit of Tenant, then Landlord's liability to Tenant shall not be limited by the provisions of this Section. The liability of Landlord hereunder shall in no event exceed the amount of such equity, the rents, issues, profits from the Project, any deposit, checking or other accounts in which the rents, issue and profits may be deposited, any insurance and/or condemnation proceeds, and any other proceeds of the foregoing and no other assets of Landlord (or any partners, stockholders or officers of Landlord) shall be subject to levy, execution or other procedures for the satisfaction of Tenant s remedies. In the event Landlord

transfers this Lease, other than as security for a Mortgage, Landlord (and in case of any subsequent transfers of conveyances, the then grantor) shall upon such transfer and acceptance by the transferee be relieved from all liability and obligations hereunder arising after such transfer if and only if Landlord or such successor grantee obtains and delivers to Tenant an original, fully-executed counterpart of a written instrument wherein such successor expressly agrees for the benefit of Tenant to assume all of Landlord's obligations under this Lease.

IN WITNESS WHEREOF, this Lease is executed on the date set forth above.

LANDLORD:

EAST HARBOR MARINE CENTER, L.L.C.

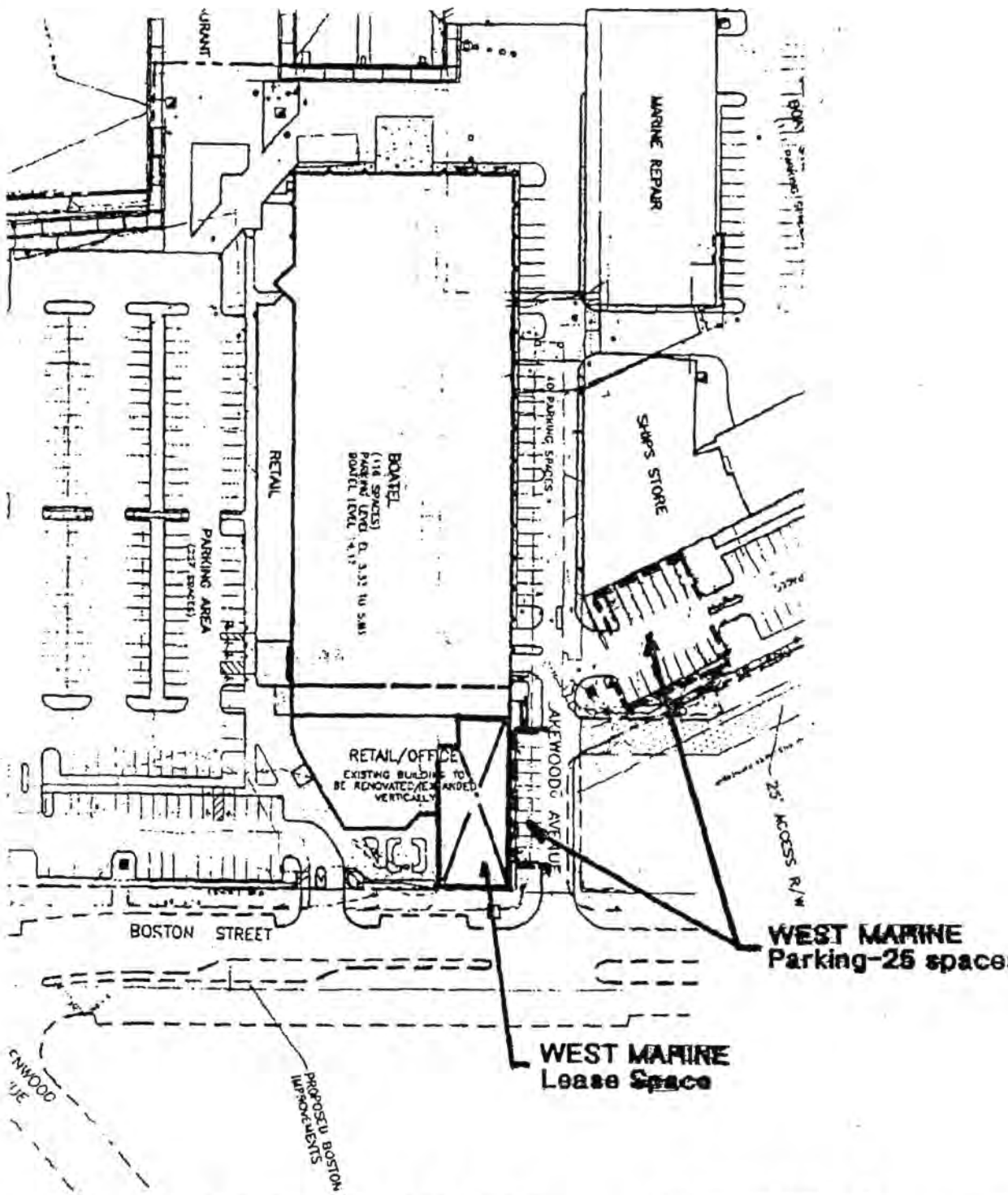
By: _____
Selvin Passen, MD, Managing Member

TENANT:

WEST MARINE PRODUCTS, INC.

By: _____
Richard Everett
Its: Exec V.P. and C.O.O.

By: _____
Bonnie Tragni
Director of Real Estate




# WEST MARINE EXHIBIT A

3/25/97

EXHIBIT B

to
LEASE AGREEMENT
by and between
EAST HARBOR MARINE CENTER, L.L.C.
and
WEST MARINE SERVICES, Inc.

Rules and Regulations

1. Absent prior express written permission from Landlord, Tenant may not obstruct or misuse any portion of the sidewalks, plaza area, garden areas, vestibules, entrances, passages, courts, elevators, stairways, corridors, halls, or other Common Areas of, within, or adjacent to, the Building.

2. The water closets and other plumbing apparatus may not be used for any purpose other than those for which they were constructed and no sweepings, rubbish, rags or other substance may be thrown therein. Any damage resulting to them from misuse shall be borne by the Tenant who caused it.

3. Tenant may not cover or otherwise obstruct any window or vent in the Building. Tenant may not drop any objects on the outer edges of sills of any of the windows in the Building.

4. Tenant may not use or keep in the Building any explosives of any nature or inflammable materials unless the same is inventory held for sale to Tenant's customers. In the event of an increase in insurance premiums due to the storage of such materials, Tenant shall be solely responsible for the expense of such increases.

5. Tenant shall place all garbage, trash and refuse in proper containers both in the interior of the Leased Premises, and in the trash area designated by Landlord.

6. Tenant may not mark, paint, drill into, or in any way deface, or string wires through, any part of the Building in any manner or for any purpose that is inconsistent with the use of the Leased Premises hereunder.

7. Absent prior express written permission from Landlord, Tenant may not use any method of heating or cooling other than that provided by Landlord.

8. No animals may be kept in or about the Building or Leased Premises. No bike or vehicle of any kind may be brought into or kept in or about the Building or the Leased Premises.

9. No awnings or other projections may be attached to the outside walls or windows of the Building. Office, retail and professional tenants may provide draperies or other items to cover windows; however, no draperies, blinds, shades or coverings of any kind may be placed on or at any window or door of any office, professional or other commercial premises without the prior written approval of Landlord as to type, shape, texture, design, material and color.

10. No telegraphic or telephonic equipment may be installed in any instance in the absence of, or contrary to, directions from the Landlord as to where and how the wires are to be introduced.

11. With respect to the movement of any safes, freight, furniture, equipment, or other bulky matter (other than Tenant's merchandise), into or out of the Building ("Movement"):

a. Tenant shall notify Landlord at least five (5) working days in advance of such Movement; and

b. Such Movement shall be subject to the direction and control of Landlord; and

c. Tenant is responsible for all damage or injury incurred by reason of such Involvement; and

d. Movement may be made only through such entrances and on such elevator(s) as have been specifically designated by Landlord for that purpose.

12. Supplies may be brought into the Building only through such entrances and on such elevator(s) as have been specifically designated by Landlord for that purpose.

13. Tenant shall deliver all its requests for services to be performed by Landlord to the Managing Agent as designated by Landlord. Employees of Landlord shall not perform any work for Tenant or do anything outside of their regular duties, unless under special instructions from Landlord.

14. No cigarette or vending machines of any kind, except for vending machines used for tenant's employees, may be installed in the Building by or on behalf of a tenant without prior express written permission from the Landlord.

15. Tenant may not make any unusual noises in the Building; play or permit to be played any musical instrument in the Leased Premises, the playing of which can be heard outside of the Leased Premises; play or permit to be played any radio, television, recorded or wired music in such a manner as to disturb or annoy other tenants; or permit any unusual odors to be produced upon or emanate from the Leased Premises.

16. Before closing and leaving the Leased Premises at the end of each business day, the Tenant shall ensure that all entrance doors to the Leased Premises are locked. Absent express prior written permission from the Landlord, which shall not be unreasonably withheld, Tenant may not place any additional lock or locks or similar devices on any door, window or transom in the Building and Tenant may not make changes in the locks or mechanisms thereon. Upon Landlord's request, two keys to the Leased Premises will be furnished to the Landlord by Tenant. All keys to doors and washrooms shall be given or returned to Landlord at the termination of the tenancy, and, in the event of loss of keys to be so furnished, Tenant shall pay Landlord the cost of the keys lost or the cost of replacing all the locks operated by the lost key or keys, at Landlord's sole discretion.

17. A Tenant may not use the name of the building for any purpose other than as a business address of Tenant. Tenant may not advertise the business, profession or activities of the Tenant conducted in the Building in any manner which violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining to such business, profession or activities.

18. The premises may not be used for sleeping purposes.

19. Landlord has reserved to itself any and all rights not granted to Tenant hereunder, including, but not limited to, the following rights which are reserved to Landlord for its purposes in operating the Building.

a. The right to change the name or address of the Building, without notice or liability to Tenant.

b. The right to install and maintain any permanent or temporary sign or signs on the exterior or interior of the Building.

c. The right to limit the space on the directory of the Building to be allotted to the Tenant.

d. The right to change or add locks or additional security devices.

20. Landlord reserves the right, at any time and from time to time, to rescind, alter or waive, in whole or in part, or add to, any of these Rules and Regulations when it is deemed necessary, desirable, or proper, in Landlord's judgment, for its best interests or for the best interests of the tenants. Such recessions, alterations or waivers shall become effective upon notice thereof to Tenant.

21. Any permission given by the Landlord pursuant to the provisions of these Rules and Regulations shall not serve to impose any type of liability on the Landlord for any personal injury or damage to or loss of property.

22. The restrictions contained in these Rules and Regulations apply whether Tenant

**acts or fails to act directly or indirectly and apply to Tenant's agents, employees, customers and invitees.**

**23. These rules and regulations are subject to Tenant's express rights under the Lease.**

**EXHIBIT ~~B~~ "C"**
**WORK LETTER**

In connection with the building, site improvement and other alterations and additions to be constructed by Landlord (the "Landlord's Work") and in connection with the interior improvements, alterations and additions to be constructed by Tenant to prepare the Premises for Tenant's intended use (collectively the "Tenant's Work"), the parties hereby agree as follows:

1. Completion Schedule. Landlord and Tenant shall identify and determine what improvements, alterations and additions shall be included in Landlord's Work and what improvements, alterations and additions shall be included in Tenant's Work. Landlord's Work shall include (at a minimum) the items and finishes described in the attached Exhibit 1 and such other finishes and improvements as Landlord and Tenant may specify. Landlord's Work and Tenant's Work shall collectively be referred to as the "Improvements." Subject to the time limitations prescribed by the Lease, the parties shall use their best efforts to prepare a mutually acceptable schedule (the "Schedule") for the construction of the Improvements.

2. Plans and Specifications.

2.1 Tenant's Work. Following the identification of those improvements that constitute Tenant's Work, Tenant shall prepare working architectural and engineering plans and specifications for Tenant's Work (the "Preliminary Tenant Plans").

Upon completion, Tenant shall deliver a set of the Preliminary Tenant Plans to Landlord and Landlord shall have ten (10) working days to review and approve such drawings or to deliver to Tenant a detailed statement of objections thereto. If Landlord reasonably disapproves the Preliminary Tenant Plans, Tenant shall revise the Preliminary Tenant Plans to remedy such reasonable objections within ten (10) working days after Tenant's receipt of such disapproval and shall again submit the Preliminary Tenant Plans to Landlord for approval. This procedure shall be repeated until the Preliminary Tenant Plans are approved by both Landlord and Tenant. Landlord and Tenant shall indicate their approval of the Preliminary Tenant Plans by initialing them.

Notwithstanding the foregoing, if the Premises cannot be improved by Tenant (i) in accordance with plans approved by Landlord, (ii) at a cost that is economically feasible and/or (iii) in a manner required by Tenant for the use of the Premises for the use(s) permitted by this Lease, Tenant shall have the right to terminate this Lease, which termination shall be effective ten (10) days after the service of written notice by Tenant to Landlord.

2.2 Landlord's Work. Following the identification of those improvements that constitute Landlord's Work, Landlord shall prepare working architectural and engineering plans and specifications for Landlord's Work (the "Preliminary Landlord Plans").

Upon completion, Landlord shall deliver a set of the Preliminary Landlord Plans to Tenant and Tenant shall have ten (10) working days to review and approve such drawings or to deliver to Landlord a detailed statement of objections thereto. If Tenant reasonably disapproves

the Preliminary Landlord Plans, Landlord shall revise the Preliminary Landlord Plans to remedy such reasonable objections within ten (10) working days after Landlord's receipt of such disapproval and shall again submit the Preliminary Landlord Plans to Tenant for approval. This procedure shall be repeated until the Preliminary Landlord Plans are approved by both Landlord and Tenant. Landlord and Tenant shall indicate their approval of the Preliminary Landlord Plans by initialing them.

3. Construction of Work.

3.1 Landlord's Work. Upon approval of the Preliminary Landlord Plans, Landlord shall obtain a building permit and such other governmental authorizations as may be necessary or required for the construction and installation of Landlord's Work. The Preliminary Landlord Plans, as amended and modified to obtain governmental authorization, shall be referred to as "Final Landlord Plans."

3.2 Tenant's Work. Upon approval of the Preliminary Tenant Plans, Tenant shall obtain a building permit and such other governmental authorizations as may be necessary or required for the construction and installation of Tenant's Work. Tenant shall be entitled, without further consent or approval of Landlord, to make any changes required by any public agency to conform with governmental regulations. The Preliminary Tenant Plans, as amended and modified to obtain governmental authorization, shall be referred to as the "Final Tenant Plans."

4. Change Requests. Except as authorized in Section 3, no revisions to Final Landlord Plans or the Final Tenant Plans shall be made by either Landlord or Tenant unless approved in writing by both parties.

5. Construction Improvements.

5.1 Landlord's Work. Landlord shall construct Landlord's Work in conformance with the Final Landlord Plans, in a good and workmanlike manner, and in compliance with all applicable and required permits and authorizations (collectively referred to as "Landlord's Construction Standards"). In addition, Landlord shall remove, abate, and remediate any Hazardous Materials (as defined in the Lease), the removal, abatement or remediation of which shall become necessary by reason of the construction of Landlord's Work or Tenant's Work.

5.2 Tenant's Work. Tenant shall construct Tenant's Work in conformance with the Final Tenant Plans, in a good and workmanlike manner, and in compliance with all applicable and required permits and authorizations (collectively be referred to as the "Tenant's Construction Standards"); provided, however, that if the construction of any Tenant's Work requires the penetration of the roof, then (at Tenant's option and upon written request from Tenant to Landlord) Landlord shall perform such penetration and shall install any of Tenant's Work to be constructed on the roof and Tenant shall reimburse Landlord for the cost of such work.

5.3 Inspection. At all times during the construction and installation of Tenant's Work or Landlord's Work (as the case may be), Landlord and Tenant shall have the right (but not the obligation) to enter the Premises, to inspect the construction and installation of Tenant's Work or Landlord's Work (as the case may be), and to do such other acts and perform such other tests and inspections as the parties deem appropriate to determine if the work is being constructed in accordance with the Tenant's Construction Standards or the Landlord's Construction Standards (as the case may be). If, at anytime during the construction and installation of Tenant's Work or Landlord's Work, Tenant or Landlord advises the other in writing that such construction and installation is not in conformance with the applicable Construction Standards, then Landlord or Tenant (as the case may be) shall immediately cure such non-compliance; provided, however, that if a compliance dispute exists between Landlord and Tenant, the determination of any authorized governmental inspector relating to the compliance of that portion of the work shall be binding on the parties.

6. Payment of Improvement Cost. Landlord shall pay all costs (including, without limitation, permit, inspection and impact/mitigation fees, general contractor's fees and material costs) associated with the construction of Landlord's Work and Tenant shall pay all costs (including, without limitation, permit and inspection fees, general contractor's fees and material costs) associated with the construction of Tenant's Work.

Landlord covenants and agrees to pay all costs associated with the performance or construction of Landlord's Work and to maintain the Premises and the Project free from mechanics', materialmen's and laborers' liens. If Landlord fails to pay any fees for labor or materials to any contractors, subcontractors, laborers or materialmen, or if Landlord allows the Premises or Project to be or become subjected to any mechanics', materialmens' or laborers' liens, Tenant shall have the right (but not the obligation) to pay any amounts required to satisfy and discharge said liens or claims and offset the amount thereof (plus any costs incurred by Tenant [including, without limitation, attorneys' fees and costs]) against the next accruing installment(s) of rent payable under this Lease.

7. Acceptance. Landlord's Work shall be deemed substantially completed on the issuance of a certificate of occupancy or similar governmental approval required for the lawful occupancy of the Premises. Following the issuance of a certificate of occupancy and the substantial completion of Landlord's Work, Tenant shall have thirty (30) days to inspect Landlord's Work and identify any deficiencies in the finishes readily observable by reasonable visual inspection (the "Punchlist Items"). Any deficiencies so identified by Tenant as Punchlist Items will be promptly repaired and corrected by Landlord. Upon the correction of all deficiencies identified as Punchlist Items, and subject to the provisions of section 9, Tenant shall be responsible for repairing and maintaining the Premises in accordance with the Lease.

8. Force Majeure. If either Landlord or Tenant cannot perform its obligation to construct Landlord's Work or Tenant's Work (as the case may be) within a reasonable time period due to events beyond such party's control, the time period for performance and the commencement date of Tenant's obligation to pay rent, taxes, insurance, operating expenses, and

other monetary obligations under the Lease shall be extended by a period of time equal to the duration of such events.

9. Warranties. Landlord warrants Landlord's Work for one year after the substantial completion thereof against all design and construction defects. If Landlord is required to construct or install any improvements or alterations on the roof or the heating, ventilating, air conditioning, plumbing or electrical systems, then Landlord shall advise Tenant of the construction warranties that are available under any proposed contracts and/or subcontracts for such work and the cost of each such warranty. Tenant shall thereafter have the right to direct Landlord to enter into a construction contract and/or subcontract containing a warranty exceeding one-year if Tenant pays all excess costs relating to such extended warranty. In addition to the foregoing, Landlord agrees to enforce for Tenant 's benefit any warranties obtained by Landlord in connection with the construction of any Landlord's Work. Tenant's acceptance of the Premises and the Landlord's Work, however, shall not constitute an acceptance of any latent or other defects in same that are not readily observable by reasonable visual inspection nor constitute a release or waiver by Tenant of its rights under the warranty contained in this section 9.

10. Insurance. Tenant acknowledges and agrees that Tenant's entry into the Premises for the purpose of constructing and installing Tenant's Work shall constitute an early entry of the Premises. As such, Tenant acknowledges and agrees that such entry shall be at Tenant's sole risk and that all Tenant's obligations under the Lease, except the payment of rent, taxes, operating expenses, and other monetary obligations under the Lease, shall commence on the date of the Lease. Such obligations shall specifically include, but not be limited to, maintenance of insurance in the types and amounts required by the Lease.

LANDLORD

EAST HARBOR MARINE CENTER, L.L.C.

By: _____
Selvin Passen, MD, Managing Member

TENANT

WEST MARINE PRODUCTS, INC.

By: _____
Richard Everett
Its Exec, V.P. and C.O.O.

By: _____
Bonnie Tragni
Its Director of Real Estate

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# West Marine

## REQUIREMENTS FOR NEW VANILLA SHELL BUILDINGS

**General**

The existing Premises are to be modified and constructed to meet all code requirements as set forth below:

**Building Conditions**

1. The Premises will be free of all obstructions and structural defects.
2. Roof membrane to be free of defects, leaks and construction debris.
3. Landlord will correct all roof deficiencies identified by tenant.

**Ceiling**

1. For (**Fluorescent Lighting Option**) T-Bar to be a minimum of 10' from finished floor.
2. Toilet area to include suspended ceiling at 8'-0" above finished floor.

**Electrical-General**

1. Separate consolidated electrical meters/service in accordance with local electrical code requirements with the Premises.
2. Provision of 120/208 volt 3 phase, 400 amps of general electrical service, meters and sockets, disconnects and load centers (circuit breaker type) and all other equipment necessary to facilitate general distribution of power in the Premises.
3. Provision of a minimum of 40 convenience duplex electrical outlets within the Premises, to be positioned by tenant.
4. Provision of conduit and wiring necessary to supply power to exterior building and pylon signage.

**Lighting**

1. General overhead store lighting to provide illumination of 100 foot candles 4' above finished floor throughout the Premises. Location of light fixtures specified by Tenant.
2. Overhead lighting to match one of the requirements set forth below and attached to suspended ceiling or bottom of exposed bar joist throughout the Premises;

- Standard 4' twin tube fluorescent strip lights, with white reflectors, Motorola electronic ballasts and GE T8 cool white bulbs.

**Floors and Walls**

1. Existing concrete floor slab to be level (1/4" over 10') and ready to receive floor tile or carpet and free of structural defects or exposed asbestos mastic.
2. Fabrication of all walls (in accordance with fire protection requirements & local energy codes, R-11 minimum) necessary to demise the Premises.
3. All walls will be sheetrocked, taped and paint ready for Tenant's final finishes.
4. Exposed masonry walls will be furred out with 3 5/8" metal studs, insulated, sheetrocked, taped and paint ready for Tenant's finishes.

**Offices, Restrooms & Plumbing**

1. Restrooms in sufficient quantities to meet local building code requirements in accordance with the Premises.
2. Restrooms outfitted with all fixtures and specifications as required by local health and ADA requirements.
3. Provision of a minimum 5 gallon hot water heater.

# West Marine

## REQUIREMENTS FOR NEW VANILLA SHELL BUILDINGS

**HVAC**

1. HVAC system in good working order and of sufficient capacity to heat and cool the Premises at the rate of 400 SF. per ton-mechanical engineer calculations to superceed.
2. Separate units to supply office and warehouse area at a rate of 400 S.F. per ton.
3. Landlord shall correct all HVAC deficiencies identified by the tenant.
4. All HVAC will be split system heat pump.
5. Landlord to provide copies of HVAC maintenance agreements, service contracts, and records.
6. Provision of HVAC system serving solely the Premises.
7. Provision of Honeywell Chronotherm III programmable thermostats to separate office, warehouse and sales floor areas.
8. HVAC and air distribution systems to match one of the requirements set forth below;

- Air distribution through insulated low pressure sheet metal duct work, with flexible branch runouts and return air grills, to ceiling diffusers in suspended ceiling applications.

**Sprinklers & Fire Protection**

1. All fire protection and sprinkler systems required by code will be constructed or modified to the Premises.
2. System provisions to include local fire marshal demands for HVAC protection requirements.

**Store Front and Building Exterior**

1. Provision of standard store front consisting of one double 3' entry/exit door combination or two separate 3' entry/exit doors.
2. Fire exits in sufficient quantity to meet local fire protection requirements for the Premises.
3. Provision of 6' x 8' insulated receiving overhead roll up door and single 3' convenience door located as specified by tenant improvement plans.
4. Provision of a ramp (not to exceed 1% slope) at loading dock roll up door if interior finished slab height varies from exterior grade greater than 1/2".
5. Provision of all ADA exterior/interior building elements as required by local ADA and building code officials.
6. Building exterior to be free of defects, graffiti and physical damage presenting safety hazards.

original



# FIRST AMENDMENT OF LEASE

**THIS FIRST AMENDMENT OF LEASE** (hereinafter called "Amendment") is made and entered into October 30, 2007, by and between **JSY, LLC**, a limited liability company (hereinafter called "Landlord"), and **West Marine Products, Inc.**, a California corporation (hereinafter called "Tenant").

## RECITALS

A. By lease agreement dated April 7, 1997, as amended by that certain Landlord Subordination dated January 8, 2003 (hereinafter collectively "Lease"), Landlord leased to Tenant an approximately five thousand, nine hundred thirty-five (5,935) square-foot premises located in the Lighthouse Point Project at 2700 Lighthouse Point East, Ste 100, Baltimore, MD 21224 (the "Demised Premises"). The Demised Premises is more particularly described in the Lease.

B. Landlord and Tenant now desire to further amend the Lease in certain respects.

## AGREEMENT

For and in consideration of the recitals above made and the promises and agreements that follow, and other good and valuable consideration, the parties agree as follows:

1. **Renewal of Lease Term**. Landlord and Tenant do hereby agree to renew the Term of the Lease (the "Term") for a period of five (5) years and twenty-four (24) days, commencing November 7, 2007, and continuing through November 30, 2012 (the "Renewal Term").

2. **Rent During Renewal Term**. (A) Landlord and Tenant do hereby further agree that the base rent ("Rent") during the Renewal Term commencing November 7, 2007, and continuing through November 30, 2012, for the first thirty (30) months of the Term, shall be at the annual rate of $23 per square foot, or the monthly amount of eleven thousand, three hundred seventy-five and 42/100 Dollars ($11,375.42) ($136,505.00 annually); and for the remaining balance of the Term shall be that amount equal the Rent payable for the 30th month of the Term multiplied by the increase in the Consumer Price Index, published by the United States Department of Labor, All Items, US City Average (1982-84=100), between November 2007 and May 2010.

(B) Commencing January 1, 2008, there shall be no caps on Tenant's liability to reimburse Landlord Tenant's prorata share of common area maintenance expenses, insurance, and real estate taxes, and Tenant shall be liable to Landlord for its full prorata share thereof.

3. **Tenant's Remodeling**. Landlord hereby grants Tenant permission and Tenant shall have the right, but not the obligation, to make non-structural alterations and improvements to the interior of the Demised Premises which it deems desirable. Tenant shall not have the obligation to restore the Demised Premises to its original condition upon surrender of the Demised Premises at the expiration of the Term or any renewal term, if exercised, or any other extension of the Lease. Tenant acknowledges that

Landlord may construct an addition adjacent to the easterly wall of the Demised Premises as shown on Exhibit A, attached hereto.

4. **Tenant's Remaining Renewal Options**. By virtue of the renewal of the Term through the end of the calendar month as set forth in Paragraph 1, above, Tenant's remaining renewal option(s) shall be for the period(s) noted below:

| Period | Last Date by Which Tenant Must Exercise |
|---|---|
| 12/1/12 through 11/30/17 | May 31, 2012 |

5. **Methods of Giving Notice**. In addition to the method by which Landlord and Tenant may give notice to the other as set forth in the Lease, any such notices may be given by a nationally recognized overnight delivery service providing proof of delivery.

6. **Defined Terms**. Unless otherwise defined in this Amendment, all capitalized terms and phrases used in this Amendment shall have the same meaning attributed to them in the Lease.

7. **Affirmation**. Except as modified by this Amendment, the Lease remains unchanged.

8. **Counterparts**. This Amendment may be signed in counterparts, all of which, taken together, shall constitute one and the same instrument.

**IN WITNESS WHEREOF,** the parties have executed this Amendment.

**LANDLORD:**

**JSY, LLC**
By: Cigual Corp, Manager

By: _____

Print Name Armando Cigunarale

Title President

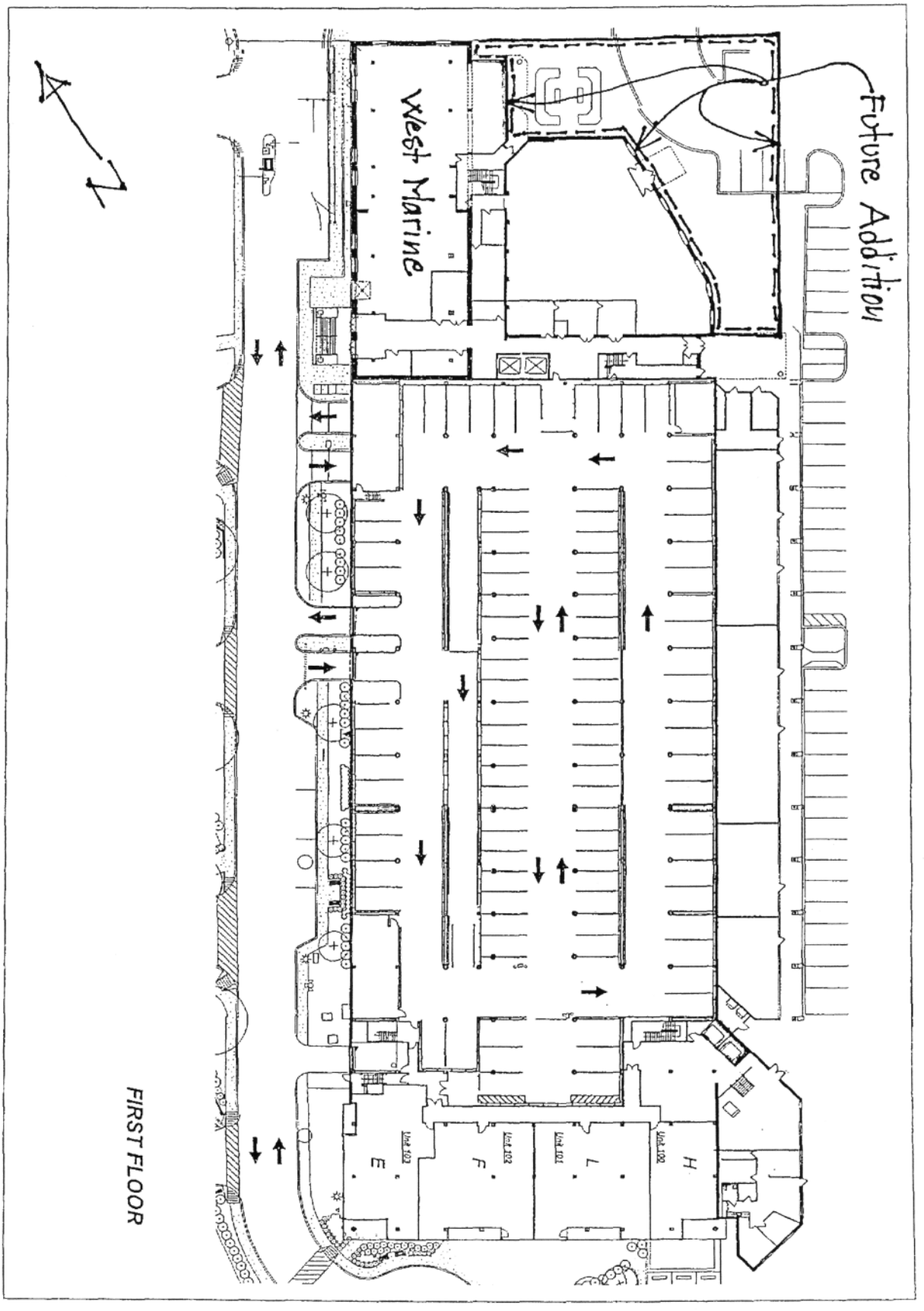
**TENANT:**

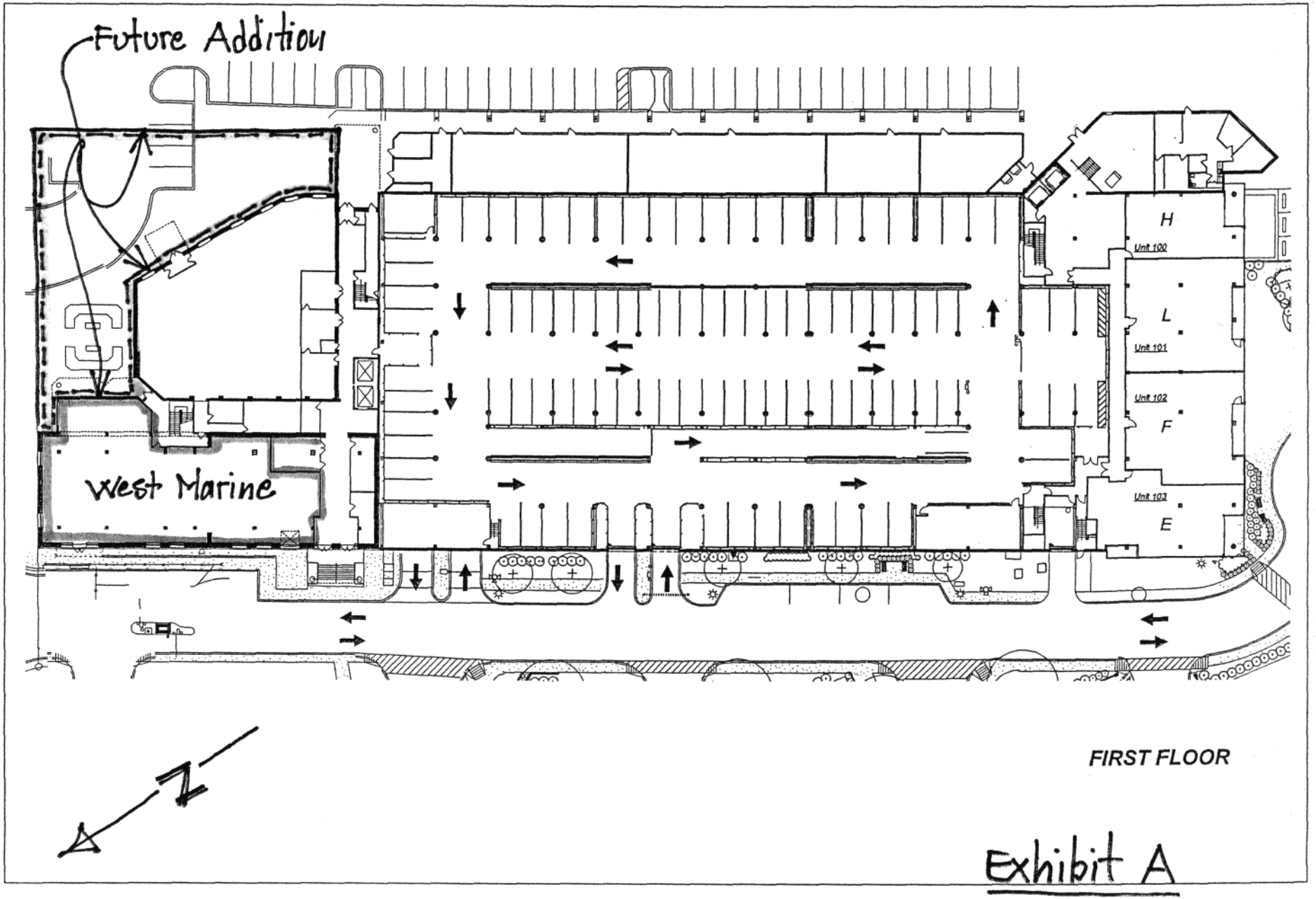
**West Marine Products, Inc.**

By: _____

Print Name Chris Bolling

Title VP


Future Addition
West Marine
E
F
L
H
Unit 103
Unit 103
Unit 101
Unit 102
FIRST FLOOR




FIRST FLOOR

Exhibit A

*CignalCorp*

October 31, 2007

Ms. Gretchen North, Esq.
Director of Lease Administration
West Marine
500 Westridge Drive
Watsonville, CA 95076

**RE: West Marine Store #179 - Lighthouse Point, Baltimore MD**

Dear Gretchen:

Enclosed please find two fully-executed counterparts of the First Amendment of Lease for your store at the above location.

I have enjoyed working with you on this transaction, and we look forward to our continuing relationship with West Marine. Please feel free to contact me if you have any questions or concerns.

Thank you.

Sincerely,

Marco E. Greenberg
Vice President

cc: Armando Cignarale
Wendy Miller w/ original Amendment

2401 York Road • Timonium • MD • 21093-2220 • Phone 410-561-4901 • Fax 410-561-4905

# West Marine®

Store Development Department, Mail Stop G-6
Email SheannevaM@westmarine.com
Voice Phone 831 761-4460
FAX 831 728-5926

October 30, 2007

VIA FEDERAL EXPRESS
Voice Phone **(410) 561.4901**

JSY, LLC
c/o Cignal Corp.
Attention: Marco Greenberg, Vice President
2401 York Road
Timonium, MD 21093

Dear Mr. Greenberg:

Re: **West Marine Store 0179-Lighthouse Point**
**Baltimore Harbor, Baltimore, Maryland**
**(the "Demised Premises")**

Pursuant to the agreements reached between Landlord and Tenant representatives, there are enclosed triplicate original counterparts of the mutually approved First Amendment of Lease. All counterparts have been executed by the Tenant. Please call Gretchen North (760.767.4534) if you have any questions or comments. We will anticipate having received Landlord's signed counterparts October 31, 2007, and will promptly sign and return one fully signed counterpart to you.

Thank you for your cooperation. We look forward to another mutually courteous and cooperative relationship with you as our Landlord during the upcoming term as in the past. Best wishes from all of us at West Marine.

Very truly yours,

**West Marine Products, Inc.**

Sheanneva McCraw
Administrative Assistant/Junior Lease Administrator
Store Development Department
Enclosures (as noted)

# SECOND AMENDMENT OF LEASE

This SECOND AMENDMENT OF LEASE (hereinafter called "Amendment") is made and entered into May 21, 2012 by and between **JSY LLC**, a Maryland limited liability company (hereinafter called "Landlord"), and **West Marine Products, Inc.**, a California corporation (hereinafter called "Tenant").

## RECITALS

A. By lease amendment dated April 7, 1997, as amended by that certain Landlord Subordination dated January 8, 2003, and the First Amendment to Lease dated October 30, 2007 (hereinafter collectively "Lease"), Landlord leased to Tenant an approximately five thousand, nine hundred thirty-five (5,935) square-foot premises located in the Lighthouse Point Project as 2700 Lighthouse Point East, Suite 100, Baltimore, Maryland 21224 (the "Demised Premises"). The Demised Premises is more particularly described in the Lease.

B. Landlord and Tenant now desire to further amend the Lease in certain respects.

## AGREEMENT

For and in consideration of the recitals above made and the promises and agreements that follow, and other good and valuable consideration, the parties agree as follows:

1. **Renewal of Lease Term.** Landlord and Tenant do hereby agree to renew the term of the Lease (the "Term") for a period of five (5) years, commencing December 1, 2012, and continuing through November 30, 2017 (the "Renewal Term").

2. **Rent During Renewal Term.** Landlord and Tenant do hereby further agree that the base rent ("Rent") during the Renewal Term commencing December 1, 2012 and for the first twelve (12) months of the Renewal Term shall be at the annual rate of $21.00 per square foot, or the monthly amount of Ten Thousand Three Hundred Eighty-Six Dollars and Twenty-Five Cents ($10,386.25) and the annual amount of One Hundred Twenty-Four Thousand Six Hundred Thirty-Five Dollars ($124,635.00); and for the remaining balance of the Renewal Term shall be at that amount equal the Rent payable for the 12th month of the Renewal Term multiplied by the increase in the Consumer Price Index, published by the United States Department of Labor, All Items, US City Average (1982-84=100), between December 1, 2012 and November 30, 2017.

3. **Tenant's Remaining Renewal Options.** By virtue of the renewal of the Term through the end of the calendar month set forth in Paragraph 1 above, the Tenant shall have no remaining renewal term pursuant to the Lease.

4. **Defined Terms.** Unless otherwise defined in this Amendment, all capitalized terms and phrases used in this Amendment shall have the same meaning attributed to them in the Lease.

5. **Affirmation**. Except as modified by this Amendment, the Lease remains unchanged.

6. **Counterparts**. This Amendment may be signed in counterparts, all of which, taken together, shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the parties have executed this Amendment as of the date first set forth above.

**LANDLORD:**

JSY LLC

By: PASSEN HOLDINGS LLC, its Manager

By: Selvin Passen, M.D.
Print Name: Selvin Passen, M.D.
Title: Manager

**TENANT:**

WEST MARINE PRODUCTS, INC.

By: Thomas R. Moran
Print Name: Thomas R. Moran
Title: CFO

# THIRD AMENDMENT OF LEASE

This THIRD AMENDMENT OF LEASE (hereinafter called "Amendment") is made and entered into April 27, 2017 by and between **JSY LLC**, a Maryland limited liability company (hereinafter called "Landlord"), and **West Marine Products, Inc.**, a California corporation (hereinafter called "Tenant").

## RECITALS

A. By lease amendment dated April 7, 1997, as amended by that certain Landlord Subordination dated January 8, 2003, the First Amendment to Lease dated October 30, 2007, and the Second Amendment to Lease dated June 15, 2012 (hereinafter collectively "Lease"), Landlord leased to Tenant an approximately five thousand, nine hundred thirty-five (5,935) square-foot premises located in the Lighthouse Point Project as 2700 Lighthouse Point East, Suite 100, Baltimore, Maryland 21224 (the "Demised Premises"). The Demised Premises is more particularly described in the Lease.

B. Landlord and Tenant now desire to further amend the Lease in certain respects.

## AGREEMENT

For and in consideration of the recitals above made and the promises and agreements that follow, and other good and valuable consideration, the parties agree as follows:

1. **Renewal of Lease Term.** Landlord and Tenant do hereby agree to renew the term of the Lease (the "Term") for a period of two (2) years, commencing December 1, 2017, and continuing through November 30, 2019 (the "Renewal Term").

2. **Rent During Renewal Term**. Landlord and Tenant do hereby further agree that the base rent ("Rent") during the Renewal Term commencing December 1, 2017 and for the first twelve (12) months of the Renewal Term shall be at the annual rate of $23.50 per square foot, or the monthly amount of eleven thousand six hundred twenty-two dollars and seventy-one cents ($11,622.71) and the annual amount of one hundred thirty-nine thousand four hundred seventy-two dollars and fifty cents ($139,472.50). Thereafter, the Rent shall increase annually by the lesser of the (i) three percent (3%) or (ii) the increase in the Consumer Price Index, published by the United States Department of Labor, All Items, US City Average (1982-84=100), between November of the current year compared to the prior year. In no event shall the annual increase in the Rent be more than three percent (3%). In the event the Consumer Price Index were to decrease Rent shall remain flat.

3. **Tenant's Remaining Renewal Options**. By virtue of the renewal of the Term through the end of the calendar month set forth in Paragraph 1 above, the Tenant shall have one remaining two year renewal option term pursuant to the Lease beginning December 1, 2019 and continuing through November 30, 2021. Option rate shall be increased annually by the change in the Consumer Price Index, published by the United States Department of Labor, All Items, US City Average (1982-84=100), between November of the current year compared to the prior year

In no event shall the annual increase in the Rent be more than three percent (3%). In the event the Consumer Price Index were to decrease Rent shall remain flat.

4.

4. **Notice Address**. Section twenty eight point one (28.1) on page twenty five (25) of the Lease is hereby deleted in its entirety and restated to read as follows:

NOTICE: All notices or demands required or permitted to be given or served pursuant to this Lease shall be deemed to have been given or served only if in writing, postage pre-paid and shall be sent by U.S. Certified Mail with Return Receipt Requested or by overnight courier to:

| **LANDLORD:** | **TENANT:** |
|---|---|
| **JSY, LLC** | **West Marine Products, Inc.** |
| **2700 Lighthouse Point East** | **Attn.: Store Development, #785** |
| **Suite 626** | **500 Westridge Drive** |
| **Baltimore, MD 21224** | **Watsonville, CA 95076** |

Such addresses may be changed from time to time by either party by serving notice as above provided. Except as may be required under any applicable law relating to summary remedies for default under a lease, Landlord shall not mail or deliver any notice or consent to the Demised Premises that is required to be given by or on behalf of Landlord; furthermore, in the event Landlord does mail or deliver such notice or consent to the Demised Premises, proper notice shall not be deemed to have occurred.

5. **Lender Consent**. Landlord hereby represents and warrants that no Lender Consent is required to enter into this agreement.

6. **Defined Terms**. Unless otherwise defined in this Amendment, all capitalized terms and phrases used in this Amendment shall have the same meaning attributed to them in the Lease.

7. **Affirmation**. Except as modified by this Amendment, the Lease remains unchanged.

8. **Counterparts**. This Amendment may be signed in counterparts, all of which, taken together, shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the parties have executed this Amendment as of the date first set forth above.

**LANDLORD:**

JSY LLC

By: PASSEN HOLDINGS LLC, its Manager

By: M.D.
Print Name: Martin Passen, M.D.
Title: Manager

**TENANT:**

WEST MARINE PRODUCTS, INC.

By:
Print Name: Dean Iwata
Title: VP Store Development

**FOURTH AMENDMENT TO LEASE AGREEMENT**

THIS FOURTH AMENDMENT TO LEASE is entered into as of this 5th day of November, 2019, by and between **2700 LIGHTHOUSE POINT, LLC** a Maryland limited liability company (the "**Landlord**"), and **West Marine Products, Inc.** (the "**Tenant**"), a California Corporation.

WITNESSETH:

**WHEREAS**, Tenant and Landlord's predecessor-in-interest, JSY, LLC, entered into that certain Lease Agreement dated April 8th, 1997, for the premises known as 2700 Lighthouse Point East, Baltimore, Maryland 21224 (hereinafter referred to as the "Premises"); a First Amendment to the Lease dated October 30, 2007; a Second Amendment to the Lease dated June 15, 2012; a Third Amendment to the Lease dated April 27, 2017; together the "Lease"; and

**WHEREAS,** the commercial property containing the Premises was sold by Landlord's predecessor-in-interest, JSY, LLC and purchased by Landlord on October 17, 2017, by Special Warranty Deed, recorded in the Land Records of Baltimore City in Liber 19597, Folio 342; and

**WHEREAS,** Landlord and Tenant have now agreed to extend the Lease Agreement for an additional term of five (5) years beginning on December 1, 2019 and ending on November 30, 2024.

**NOW THEREFORE**, for and in consideration of the Premises and of the payment of rent and of other good and valuable considerations, the parties hereby agree as follows:

1. Extension. The term of the Lease shall be extended for five (5) years commencing on December 1, 2019 and ending on November 30, 2024 (the "Extension Term").

2. Rent. The Fixed Rent for the five (5) years of the Extension Term shall be One Hundred Forty-Two Thousand Nine Hundred Ninetyand 68/100 Dollars ($142,990.68) per year. Fixed Rent shall be paid in equal monthly installments of Eleven Thousand Nine Hundred Fifteenand 89/100 Dollars ($11,915.89).

3. Operating Costs. Throughout the Extension Term, Tenant shall continue to pay the Tenant's Share of Operating Costs as defined in Section 6.1 of the Lease.

4. Remaining Renewal Rights. That the prior two (2) year extension term (which would have run from December 1, 2019 through November 30, 2021, had it been exercised) shall be deemed null and void and that other than the Extension Term being established under this Fourth Amendment, Tenant shall have no further extension terms or renewal options of the Premises.

5. Except as herein modified, the existing terms and conditions of the Lease Agreement shall remain in full force and effect.

In witness whereof, the parties have executed this Fourth Amendment as of the date as first above written.

WITNES or ATTEST

LANDLORD:

**2700 LIGHTHOUSE POINT, LLC**
a Maryland limited liability company

By: _____ (SEAL)
Name:
Title: As agent for Landlord

WITNESS or ATTEST:

TENANT:

**WEST MARINE PRODUCTS, INC.**

By: _____ (SEAL)
Name: Barry Kelley
Title: SVP Stores & PRO

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#179

**FIFTH LEASE AMENDMENT**

THIS FIFTH LEASE AMENDMENT (the "**Amendment**"), is made this 5TH day of October, 2023 (the "**Amendment Effective Date**") by and between 2700 Lighthouse Point, LLC, a Maryland limited liability company, as "**Landlord**" and West Marine Products, Inc., a Florida corporation, as "**Tenant**".

WITNESS:

WHEREAS, Landlord's predecessor-in-interest, JSY, LLC (the commercial property containing the Premises was sold by Landlord's predecessor-in-interest, JSY, LLC and purchased by Landlord on October 17, 2017, by Special Warranty Deed, recorded in the Land Records of Baltimore City in Liber 19597, Folio 342) and Tenant previously entered into that certain lease dated April 8, 1997, as subsequently modified and/or amended, (collectively, the "**Lease**") for that certain premises, having an address located at 2700 Lighthouse Pt Ste 100, Baltimore, Maryland 21224 (the "**Premises**") and mutually desire to modify certain terms and conditions, all strictly pursuant to the terms and conditions set forth in this Amendment.

NOW, THEREFORE, in consideration of the mutual covenants herein contained as well as other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. As of the Amendment Effective Date hereof, notwithstanding anything to the contrary contained in the Lease, the parties agree that the Lease shall be modified as follows:

A. Abatement. Notwithstanding anything in the Lease to the contrary, Landlord and Tenant hereby acknowledge and agree that fifty percent (50%) of all Rent, (however characterized, including but not limited to Fixed Rent, percentage rent, CAM, taxes, insurance, late fees and additional charges, and or additional rent) otherwise payable with respect to October 2023 & November 2023 is hereby abated and forgiven (the "**Abated Rent**").

B. Rent. Landlord and Tenant hereby agree to amend the Lease such that commencing December 1, 2023, through expiration of the Extension Term (i.e., November 30, 2024), Tenant shall pay to Landlord the greater of: (i) gross rent (which shall be Tenant's sole obligation to pay Rent, however characterized in the Lease, including but not limited to Fixed Rent, , CAM, taxes, insurance, utilities, and/or additional rent) ("**Gross Rent**") in the amount of One Hundred Twenty Thousand and 00/100 Dollars ($120,000.00) per annum, payable in equal monthly installments of Ten Thousand and 00/100 Dollars ($10,000.00) per month, prorated for any partial year or (ii) percentage rent ("**Percentage Rent**") (which shall be calculated on a per month basis commencing December 1, 2023 (a "**Measuring Month**")) in the amount of 12% of Gross Sales, and no other amounts respecting Rent (however characterized, including but not limited to Fixed Rent, CAM, taxes, insurance, late fees and additional charges, and or additional rent). As used herein, "**Gross Sales**" means gross revenues from all transactions on, from or through the Premises, including, without limitation all of the following sums, whether payable in cash, on credit or otherwise, and notwithstanding that collection of such sums may be made elsewhere than on the Premises or by someone other than Tenant (so long as on behalf of Tenant) or that the rights to collection may be assigned, sold or transferred to any other person or business: (i) the selling price of all merchandise sold on, from or through the Premises by Tenant or any, subtenant, licensee or concessionaire at wholesale or retail, whether delivered or shipped from the Premises or any other place upon orders taken in or transmitted through the Premises or obtained by persons reporting to the Premises, (ii) the charges made for all services rendered on the Premises, or elsewhere by Tenant or any subtenant, licensee or concessionaire on orders taken on or transmitted through the Premises; (iii) the amount of money paid by customers, patrons and users in connection with any admission to, use or occupancy of, the Premises or any part thereof or any installation or facility therein, including but not limited to any coin operated devices, vending machines and other facilities which may be permitted by Landlord on the Premises; (iv) intentionally omitted; (v) amounts received by Tenant from manufacturers under redeemable coupons, all without deduction for any expenses, salaries, or rent, except for (a) exchange or transfer of merchandise between Tenant's stores, warehouses or online, (b) returns to shippers and manufacturers, (c) cash or credit refunds or credit sales not collected on transactions included in Gross Sales previously reported by Tenant, (d) the amount of any City, County, State or Federal sales, luxury or excise tax on sales and other similar taxes, and (e) sales at a discount to employees, not in excess of 3% of Gross Sales. Tenant shall provide Landlord with a statement of Gross Sales by the 15th of each month following the prior month's sale. If the Percentage Rent exceeds the Gross Rent, Tenant shall pay to Landlord simultaneously with the furnishing of

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said Gross Sales report the difference between the Percentage Rent and the Gross Rent paid by Tenant.

2. Notwithstanding anything to the contrary contained in the Lease or this Amendment, the parties acknowledge that Tenant may be or may have been required to remit rent payments during any abatement and/or deferment period due to obligations that the parties are not permitted to contract around pursuant to applicable law. In such an instance, and for the avoidance of doubt, the parties acknowledge and agree that any payment of rent or abated/deferred rent (or any portion thereof) which may be or may have been paid by Tenant during the abatement and/or deferment period shall be credited toward the next payment(s) of rent accruing and due under the Lease following the abatement and/or deferment period.

3. The parties acknowledge and agree, that there are no brokers or other intermediaries involved in connection with this Amendment other than A&G Real Estate Partners who is to be compensated by Tenant pursuant to a separate agreement. The parties agree to indemnify and hold one another harmless with respect to any damage, loss or expense, including reasonable attorney's fees, as a result of their use of any other brokerage.

4. Except as set forth herein, the parties agree and acknowledge that all other terms, covenants and conditions contained in the Lease are unmodified, in full force and effect, and ratified and confirmed by the parties hereto. The Lease, as modified herein, contains the entire agreement between the parties. This Amendment shall be fully binding upon the parties hereto and their heirs, successors and assigns. Each party hereto warrants and represents that it has the full power and authority to enter into, execute and perform this Amendment, without needing, or having already obtained, the approval or consent of any other party. Capitalized terms, as used herein shall have the meaning as defined herein, and capitalized terms which may be used herein, but not otherwise defined, shall have the same meaning as contained in the Lease. Any conflict between the provisions of this Amendment and other provisions of the Lease shall be resolved, in favor of the provisions of this Amendment. This Amendment may be electronically signed and delivered in multiple counterparts, and the parties agree that electronically signed documents shall have the same force and effect as originals.

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IN WITNESS WHEREOF, the parties hereto, intending to be mutually bound hereby, have hereunto set their respective hands as of the date first above written.

**LANDLORD:**

2700 Lighthouse Point, LLC
a Maryland limited liability company

By: _____
Name: Steven Jennings
Title: Authorized Signatory

**TENANT:**

West Marine Products, Inc.,
a Florida corporation

By: DocuSigned by: Rob Koch
A818305455BB4B4
Name: Rob Koch
Title: Chief Customer Officer

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**SIXTH LEASE AMENDMENT**

THIS SIXTH LEASE AMENDMENT (the "**Amendment**"), is made this 30th day of October 2024 (the "**Amendment Effective Date**") by and between 2700 Lighthouse Point, LLC, a Maryland limited liability company ("**Landlord**") and West Marine Products, Inc., a Florida corporation ("**Tenant**").

WITNESS:

WHEREAS, Landlord's predecessor-in-interest, JSY, LLC (the commercial property containing the Premises was sold by Landlord's predecessor-in-interest, JSY, LLC and purchased by Landlord on October 17, 2017, by Special Warranty Deed, recorded in the Land Records of Baltimore City in Liber 19597, Folio 342) and Tenant previously entered into that certain Lease Agreement dated April 7, 1997 (the "**Original Lease**"), as amended by that certain First Amendment of Lease dated October 30, 2007 (the "**First Amendment**"), Second Amendment of Lease dated June 15, 2012 (the "**Second** Amendment"), Third Amendment of Lease dated November 5, 2019 (the "**Third Amendment**"), Fourth Amendment to Lease Agreement dated November 5, 2019 (the "**Fourth Amendment**") and Fifth Lease Amendment dated October 5, 2023 (the "**Fifth Amendment**") for that certain premises, having an address located at 2700 Lighthouse Pt Ste 100, Baltimore, MD 21224, as more particularly described in the Lease (the "**Premises**").

WHEREAS, the Original Lease, First Amendment, Second Amendment, Third Amendment, Fourth Amendment and Fifth Amendment are herein collectively, the "**Lease**."

WHEREAS, Tenant previously changed its corporate state of domestication from California to Florida by filing the following documents with the Florida Department of State – Division of Corporations: (i) that certain "Articles of Merger of West Marine Products, Inc., a California corporation, With and Into West Marine Products – Florida, Inc., a Florida corporation", effective as of June 2, 2021, and (ii) that certain Amended and Restated Articles of Incorporation of West Marine Products – Florida, Inc., which changed the final name of Tenant to West Marine Products, Inc., a Florida corporation.

WHEREAS, the Lease is scheduled to expire on November 30, 2024.

NOW, THEREFORE, in consideration of the mutual covenants herein contained as well as other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties, intending to be legally bound, hereto agree as follows:

1. The recitals set forth above are incorporated by reference and made a part of this Amendment with the same force and effect as if restated in full.

2. Capitalized terms, as used herein shall have the meaning as defined herein, and capitalized terms which may be used herein, but not otherwise defined, shall have the same meaning as contained in the Lease.

3. As of the Amendment Effective Date hereof, notwithstanding anything to the contrary contained in the Lease, the parties agree that the Lease shall be modified as follows:

   A. Term. The Term of the Lease is hereby extended for a one (1) year term commencing on December 1, 2024, and expiring at 11:59 p.m. on November 30, 2025 (the "**Second Extension Term**"), unless sooner terminated in accordance with the terms of the Lease. All references in the Lease to the "Term" shall include the Second Extension Term. All terms and conditions under the Lease shall apply during the Second Extension Term, except that rent during the Second Extension Term shall be that set forth in this Amendment.

   B. Rent. Notwithstanding anything in the Lease to the contrary, Landlord and Tenant hereby acknowledge and agree that during the Second Extension Term, Tenant shall pay to Landlord, as Tenant's sole obligation to pay Rent (however characterized in the Lease, including but not limited to Fixed Rent, CAM, taxes, insurance and other additional rent): (i) Gross Rent (as defined in the Fifth Amendment) in the amount of $13.22 per square foot, or Seventy-Eight Thousand Four Hundred Sixty and 70/100 Dollars ($78,460.70) per annum, payable in equal monthly installments of Six Thousand Five Hundred Thirty Eight and 39/100 ($6,538.39), and (ii) Percentage Rent, to the extent the Monthly Gross Sales Calculation exceeds the Monthly Gross Sales Threshold. As used herein, "**Monthly Gross Sales Calculation**" is twelve percent (12%) of monthly Gross Sales (as defined in the Fifth Amendment) and "**Monthly Gross Sales Threshold**" means Ten Thousand Dollars ($10,000.00). Per the Fifth Amendment, Tenant shall provide Landlord with a statement of monthly Gross Sales by the 15th of each month following the prior month's sale, together with the Percentage Rent due for the prior month.

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By way of example, Percentage Rent shall be calculated as follows:

| Sample Monthly Gross Sales | Monthly Gross Sales Calculation (12%) | Monthly Gross Sales Threshold | Sample Monthly Percentage Rent Paid to Landlord |
|---|---|---|---|
| $85,000.00 | $10,200.00 | $10,000.00 | $200.00 |
| $101,000.00 | $12,120.00 | $10,000.00 | $2,120.00 |
| $122,983.00 | $14,757.96 | $10,000.00 | $4,757.96 |
| $150,000.00 | $18,000.00 | $10,000.00 | $8,000.00 |

C. Notices. Tenant's notice address in the Lease is hereby deleted and replaced with the following:

If to Tenant:

West Marine Products, Inc.
1 E. Broward Blvd., Suite 200
Ft. Lauderdale, FL 33301
Attn: Real Estate Manager
Email: leaseadmin@westmarine.com

With an email copy to:

Paulee Day
Chief Administrative Officer
Email: PauleeD@westmarine.com

4. Each party hereby represents and warrants to the other party that it is not aware of any brokers, agents or finders who may claim a fee or commission in connection with the consummation of the transactions contemplated by this Amendment. If any claims for brokers' or finders' fees in connection with the transactions contemplated by this Amendment arise, then Landlord and Tenant, as applicable, agrees to indemnify, protect, hold harmless and defend the other party (with counsel reasonably satisfactory to such party) from and against any such claims if they shall be based upon any statement, representation or agreement made by the indemnifying party.

5. Except as set forth herein, the parties agree and acknowledge that all other terms, covenants and conditions contained in the Lease are unmodified, in full force and effect, and ratified and confirmed by the parties hereto. The Lease, as modified herein, contains the entire agreement between the parties. This Amendment shall be fully binding upon the parties hereto and their heirs, successors and assigns. Each party hereto warrants and represents that it has the full power and authority to enter into, execute and perform this Amendment, without needing, or having already obtained, the approval or consent of any other party. Any conflict between the provisions of this Amendment and other provisions of the Lease shall be resolved, in favor of the provisions of this Amendment. This Amendment may be electronically signed and delivered in multiple counterparts, and the parties agree that electronically signed documents shall have the same force and effect as originals.

*[Remainder of page intentionally left blank]*

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IN WITNESS WHEREOF, the parties hereto, intending to be mutually bound hereby, have hereunto set their respective hands as of the date first above written.

**LANDLORD:**

2700 Lighthouse Point, LLC
a Maryland limited liability company

DocuSigned by:
By: Steve Jennings
16D0656B1222443...
Name: Steve Jennings
Title: Authorized Signer

**TENANT:**

West Marine Products, Inc.,
a Florida corporation

DocuSigned by:
By: Paulee Day
26B3862C3924460...
Name: Paulee Day
Title: Chief Administrative Officer

## SEVENTH AMENDMENT TO LEASE AGREEMENT

This SEVENTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is made as of October 20, 2025, by and between 2700 Lighthouse Point, LLC ("Landlord") and West Marine Products, Inc., a Florida corporation. ("Tenant"). Landlord and Tenant are sometimes referred to herein collectively as the "Parties" or individually as a "Party."

WHEREAS, Landlord and Tenant are parties to that certain Lease Agreement dated August 4, 1997 as previously amended by prior amendments, including the Sixth Amendment (collectively, the "Lease"); and

WHEREAS, the Parties desire to extend the Term of the Lease for an additional one (1) year period and to amend the Lease to include a Right of First Refusal provision, together with such other modifications as set forth herein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**1. Extension of Term.**

The Term of the Lease is hereby extended for one (1) additional year, commencing on December 1st, 2025 and expiring on November 30th, 2026. Except as expressly modified by this Amendment, all of the terms, covenants, and conditions of the Lease shall remain in full force and effect during the extended Term.

**2. Right of First Refusal.**

(a) **Grant of Right.** Subject to the terms and conditions of this Section, if at any time during the Term Landlord receives a bona fide written offer (the "Third-Party Offer") from a third party to lease all or any portion of the Premises that Landlord intends to accept, Landlord shall provide Tenant with written notice (the "ROFR Notice") setting forth the material business terms of the Third-Party Offer.

(b) **Exercise Period.** Tenant shall have a period of five (5) business days following its receipt of the ROFR Notice to notify Landlord in writing of its election to lease the applicable space on the same material business terms and conditions set forth in the Third-Party Offer. Failure by Tenant to timely deliver written notice shall constitute an irrevocable waiver of Tenant's Right of First Refusal with respect to such Third-Party Offer.

(c) **Conditions to Exercise.** Tenant shall have no right to exercise the Right of First Refusal if, at the time Landlord issues the ROFR Notice or at the time of exercise, (i) Tenant is in default beyond any applicable notice and cure period, (ii) Tenant has previously waived or failed to exercise its Right of First Refusal with respect to substantially the same space or terms, or (iii) the Third-Party Offer involves space leased to any governmental agency or affiliate of Landlord.

(d) **Exclusions.** The Right of First Refusal shall not apply to (i) renewals, extensions, expansions, or amendments of existing leases; (ii) leases to affiliates or related entities of Landlord; (iii) temporary

occupancies or licenses of twelve (12) months or less; or (iv) transactions involving multiple properties or premises, whether or not including the Premises.

(e) **Personal Right.** This Right of First Refusal is personal to the original Tenant named in this Lease and shall automatically terminate upon any assignment, sublease, or other transfer of Tenant's interest in the Lease, whether voluntary or by operation of law.

(f) **Landlord's Discretion.** Nothing in this Section shall obligate Landlord to continue offering any portion of the Premises for lease, to negotiate with any party, or to consummate any transaction, and Landlord may withdraw or modify any proposed transaction at any time prior to execution of a binding lease without liability to Tenant.

(g) **Time of the Essence.** Time is of the essence with respect to Tenant's exercise of the Right of First Refusal.

**3. Landlord Termination Right.**

Notwithstanding anything to the contrary contained in the Lease, as amended, Landlord shall have the right to terminate the Lease at any time during the Term (as extended hereby) upon not less than six (6) months' prior written notice to Tenant. Upon the expiration of such notice period, this Lease shall terminate and be of no further force or effect, and neither party shall have any further obligations hereunder, except for those which expressly survive the expiration or earlier termination of the Lease.

**4. Rent.**

Notwithstanding anything in the Lease to the contrary, Landlord and Tenant hereby acknowledge and agree that during the Third Extension Term, Tenant shall pay to Landlord, as Tenant's sole obligation to pay Rent (however characterized in the Lease, including but not limited to Fixed Rent, CAM, taxes, insurance and other additional rent): (i) Gross Rent (as defined in the Fifth Lease Amendment) in the amount of $13.22 per square foot, or Seventy-Eight Thousand Four Hundred Sixty and 70/100 Dollars ($78,460.70) per annum, payable in equal monthly installments of Six Thousand Five Hundred Thirty Eight and 39/100 ($6,538.39), and (ii) Percentage Rent, to the extent the Monthly Gross Sales Calculation exceeds the Monthly Gross Sales Threshold, as defined in the Sixth Lease Amendment.

**5. Miscellaneous.**

Except as expressly modified by this Amendment, all other terms, covenants, and conditions of the Lease shall remain in full force and effect. This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

Each party hereby represents and warrants to the other party that it is not aware of any brokers, agents or finders who may claim a fee or commission in connection with the consummation of the transactions contemplated by this Amendment. If any claims for brokers' or finders' fees in connection with the transactions contemplated by this Amendment arise, then Landlord and Tenant, as applicable, agrees to indemnify, protect, hold harmless and defend the other party (with counsel reasonably satisfactory to such party) from and against any such claims if they shall be based upon any statement, representation or agreement made by the indemnifying party.

IN WITNESS WHEREOF, the Parties have executed this SEVENTH AMENDMENT TO LEASE AGREEMENT as of the day and year first above written.

**LANDLORD:**
2700 Lighthouse Point, LLC
a Maryland limited liability company

By: _____
Name: Steve Jennings
Title: Authorized Signer

**TENANT:**
West Marine Products, Inc.,
a Florida corporation

By: _____
Paulee Day (Oct 20, 2025 10:56:11 EDT)
Name: Paulee Day
Title: COO

# Exhibit 2

## Statement of Account For Unpaid May Rent Due Under the Lease

**Remit to:**

**2700 Lighthouse Point, LLC**
**2328 W Joppa Rd, Ste 200**
**Lutherville, MD 21093**

**Date:** **10/26/2026**

**Due From:**

**Account No: t0005685**
**West Marine Products Inc.**
**Lease Admin**
**West Marine Products Inc**
**Attn: Store Development, #785**
**500 Westridge Dr**
**Watsonville, CA 95076**

**Location:** **JS Young Bldg/2700 Lighthouse Point E**
**2700 Boston Street**
**Baltimore, MD 21224**

## STATEMENT OF ACCOUNT

### Detail of unpaid charges/credits:

| Date | Description | Charge Amount | Charge Paid | Total Due | Cumulative Total |
|---|---|---|---|---|---|
| 05/01/2026 | Inv # 3143185685 | | | | |
| | Retail Rent (05/2026) | 6,538.39 | 0.00 | | |
| | | 6,538.39 | 0.00 | 6,538.39 | 6,538.39 |
| 10/15/2026 | Check #ACH | | | | |
| | | 0.00 | 3,163.74 | | |
| | | 0.00 | 3,163.74 | (3,163.74) | 3,374.65 |
| | | 6,538.39 | 3,163.74 | | |

This statement reflects items open on your account as of 10/26/2026. If you have already mailed your payment, please disregard this notice.

| **Total Due** | **3,374.65** |
|---|---|

Managed by MACKENZIE

# Exhibit 3

## Statements for Unpaid October and November Rent Due Under the Lease

**REMIT TO:**

**2700 Lighthouse Point, LLC**
2328 W Joppa Rd, Ste 200
Lutherville, MD 21093

**Date:** 10/1/2026

**Invoice No:** 870225685

West Marine Products Inc.
Lease Admin
Attn: Store Development, #785
500 Westridge Dr
Watsonville CA 95076

| Trans No. | Date | Suite | Description | Amount |
|---|---|---|---|---|
| 910124 | 10/1/2026 | 100 | Retail Rent (10/2026) | 6,538.39 |

**Total Due** **6,538.39**

# Invoice

ORIGINAL

**REMIT TO:**

**2700 Lighthouse Point, LLC**
2328 W Joppa Rd, Ste 200
Lutherville, MD 21093

**Date:** 11/1/2026

**Invoice No:** 870235685

West Marine Products Inc.
Lease Admin
Attn: Store Development, #785
500 Westridge Dr
Watsonville CA 95076

| Trans No. | Date | Suite | Description | Amount |
|---|---|---|---|---|
| 910126 | 11/1/2026 | 100 | Retail Rent (11/2026) | 6,538.39 |

**Total Due** **6,538.39**

# Invoice

ORIGINAL

# Exhibit 4

# Invoices for Repairs Required Under the Lease

- MODERN STORE FRONT CONSTRUCTION
- INSURANCE REPLACEMENTS
- 24 HOUR EMERGENCY SERVICE

CAPLAN BROS. INC.
GLASS
For Every Purpose

- ALUMINUM WINDOWS AND ENTRANCES
- SAFETY GLASS, LEXAN
- PLEXIGLAS, MIRRORS AND FURNITURE TOPS

**700 WEST HAMBURG STREET**
**BALTIMORE, MARYLAND 21230**

**Phone: (410) 685-6400**
**Fax No.: (410) 837-3200**

**www.caplanglass.com**

| TO: | 124718 | FOR: |
|---|---|---|
| MACKENZIE MANAGEMENT<br>2328 W JOPPA RD<br>SUITE 200 * EMAIL<br>TIMONIUM , MD 21093 | Contract<br>10/13/26 | LIGHTHOUSE POINT<br>2700 LIGHTHOUSE POINT E<br>BALTIMORE , MD 21224 |

***Total Price: Five Hundred Fifty and 00/100 Dollars*** ***$550.00***

**We Propose to Furnish and Install:**

1 - 23 X 84 CLEAR LAMINATED GLASS

SET IN FLUSH GLAZE METAL
BADLY CRACKED ON THE BOTTOM

THIS IS THE OLD WEST MARINE

Samuel Gerstein

Signature Date

Print Name

C124718LIGHTHOUSE POINT1

- MODERN STORE FRONT CONSTRUCTION
- INSURANCE REPLACEMENTS
- 24 HOUR EMERGENCY SERVICE

- ALUMINUM WINDOWS AND ENTRANCES
- SAFETY GLASS, LEXAN
- PLEXIGLAS, MIRRORS AND FURNITURE TOPS

**700 WEST HAMBURG STREET**
**BALTIMORE, MARYLAND 21230**

**Phone: (410) 685-6400**
**Fax No.: (410) 837-3200**

**www.caplanglass.com**

| TO: | C124750 | FOR: |
|---|---|---|
| MACKENZIE MANAGEMENT<br>2328 W JOPPA RD<br>SUITE 200 * EMAIL<br>TIMONIUM , MD 21093 | Contract<br>10/22/26 | LIGHTHOUSE POINT<br>2700 LIGHTHOUSE POINT E<br>BALTIMORE , MD 21224 |

***Total Price: Three Hundred Seventy-Five and 00/100 Dollars*** ***$375.00***

## We Propose to Furnish and Install:

1 - PIVOT CTR DORMA 8852 SHORT FLOOR
SEE PICTURES FOR EXACT PIVOT NEEDED

LEAD-TIME: APPROX. 1 WEEK. LEAD-TIME MAY CHANGE WITHOUT NOTICE.
INSTALLATION TO BE DURING NORMAL WORKING HOURS.
TERMS: NET 30 DAYS. SEE ATTACHED TERMS FOR ADDITIONAL INFORMATION. Price is based on signing our contract. No AIA Contracts, Shop Drawings, Submittals, Wage Rate, or Retainage. PRICE IS BASED UPON SITE VISIT, NOT DRAWINGS.
PRICE EXCLUDES GLASS CLEANING, METAL CLEANING, PATCH WORK, ALARM WORK, ELECTRICAL WORK, DRYWALL REPAIRS, PAINTING, TRIM WORK, MASONRY WORK, SIGNAGE AND PERMITS.

Brian Gartelman

Signature Date

Print Name

