



Korman/Lederer Management

Tenant Handbook

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WELCOME

On behalf of Korman/Lederer Management Co., we welcome you to your new space.

We pride ourselves on establishing and maintaining a professional relationship with our tenants and value your comments on how we can improve our services.

INTRODUCTION

This handbook is supplemental to the signed lease with respect to the Premises and should be read in conjunction with said agreement.

This handbook is issued by the Landlord, Korman/Lederer Management Co. (KLM), and contains regulations, information and guidance on the operation and day-to-day running of your space. It is meant as a quick reference for solving issues which may arise during your tenancy.

Ensure that your entire staff is familiar with this document and where to obtain revisions*. Maintain a copy of this document for reference by your staff at all times.

If you have any problems or questions, please do not hesitate to call your Korman/Lederer representative.

*This document will be updated from time to time and while hard copies may be re-issued to Tenants, the most up to date electronic version can be downloaded from our website at

www.kormanlederer.com/mng

CONTACT INFORMATION

Korman/Lederer Management Co.
3100 Dundee Road – Suite 116
Northbrook, IL 60062
847.498.1000 (For emergency, press 8 when answered)
www.kormanlederer.com
info@kormanlederer.com

MOVING IN

The following information will help you settle into the Premises.

Inspections

Within 5 days, after KLM provides possession of the Premises, you and KM should perform a walkthrough of the space and prepare a Punchlist of any incomplete items related to Landlord's Work detailed in the Lease as Exhibit D. At this time, point out any latent defects. This will help eliminate most problems at the termination of the lease concerning the condition of the space at commencement.

Utilities

You will need to contact the service providers in order to put utilities in your name. KLM CANNOT put the utilities in your name. A week before you move in, contact Commonwealth Edison and Nicor Gas to ensure they have all the information necessary in order to provide with you with service. Failure to do so could result in an interruption of service.

ComED 877.426.6331

Nicor 888.642.6748

Communications

It is your responsibility to coordinate any voice or data connections to the space. AT&T and Comcast are the most common providers of these services. The lead times for installation can be lengthy, so it is important that you coordinate with a provider as soon as the lease is fully executed. KLM is not involved in this process.

Use of Space

Limit the use of the space to that which is designated in your lease. The use of your space for any other purpose not covered in your lease is unacceptable and a potential Default.

Respect for Other Tenants

You will not disturb any other Tenants of the Premises by the use of any radio, speakers, musical instrument, or by the making loud or improper noises. You will not cause any excessive odor or vibration that could be deemed objectionable to other Tenants.

Signage

Korman/Lederer provides each new tenant with door and, in most cases, directory board signage. Your sign will be installed only after we receive specific written directions from you on the form enclosed in your lease packet. Immediate response is important as it can take from four to six weeks to have your signage installed. Any company logo or style other than

building standard will need KLM approval and will be installed at your expense. Only one name will be provided for your door and directory strip.

Later, should the company name need to be changed, KLM can arrange to have the new name installed at your expense.

Locks

New locks will be provided for your space at the time of occupancy. At that time, three keys will be provided. Any additional keys may be purchased at your own expense.

Do not change your locks without notifying KLM. Any change or repair of locks after the initial installation is your cost.

Alarm System

If an alarm system is installed, provide KLM with an access code for emergency access purposes.

Tenant Emergency Numbers

Also found in the lease packet, complete and supply us with emergency contact information. It is incredibly important that you supply us with the cell phone numbers and email addresses of at least two responsible people in your business. Be sure to notify KLM to update this information as personnel change.

Emergencies have arisen where it has been necessary to reach a tenant at home in the evening or on a weekend.

Certificates of Insurance

Before taking possession of your space, you are required to provide KLM with a certificate of insurance, insuring against personal injury, death, or property damage occurring in connection with the use and occupancy of the Premises. KLM and beneficiaries must be named as additional insured.

In most cases, the lease calls for coverage in the following amounts:

Each Occurrence \$2,000,000.00

Aggregate \$4,000,000.00

The policy must contain an agreement that it will not be cancelled by the insurer without at least ten days prior written notice.

The wording of the additional insured portion of the certificate of insurance must be exactly as it appears on the example provided in your lease packet or it will be returned to you for correction.

IN PLACE

This section of the handbook provides information about issues which may arise during your occupancy. Read it carefully and keep it nearby for referral.

Rent

Your rent is due in our office by the first of every month and is considered late if not received by the 5th. If it is not received by the 10th of the month, your lease agreement calls for a late fee. You will not receive a rental invoice unless you specifically request it. Use the reference part of the check to notate the address and space number of the Premises occupied. Some leases require other monthly payments to be made such as HVAC maintenance. Do not forget to pay these amounts as well.

Rent checks should be made out to:

Korman/Lederer Management Co.
3100 Dundee Road – Suite 116
Northbrook, IL 60062

If you prefer to make payments electronically, please contact KLM to receive instructions for ACH payments.

Additional Rent

Your lease has a provision for additional rent that typically comprises three components; Real Estate Taxes, CAM, and HVAC. Depending on your specific lease language, these may be handled with stops and/or monthly estimated deposits. A reconciliation of these charges will generally occur after the beginning of each calendar year. If the expenses for these components are more than the stop and/or monthly estimated deposits, you will be billed your pro rata share.

Common Area Maintenance (CAM)

CAM is the expense for operation, upkeep, maintenance, and repair of the property. In most cases, KLM is responsible for contracting these services.

Typical CAM items can include but are not limited to the following:

- Landscaping
- Snow removal
- Rubbish pickup (unless you have a separate service)
- Water and sewer metered to the building
- Common area gas and electric
- Fire alarm charges
- Common area cleanup

Not all expenses apply to every building. Your bill will show exactly what services are being charged.

Real Estate Taxes

The tax charge in your lease comprises two components: 1) the actual real estate tax bill and 2) a potential charge for the legal services to contest the amount of the taxes. The legal bill component only exists when the attorney is successful in reducing the taxes.

HVAC Charge

All units are separately metered for utilities and contracted directly by the tenant with the provider. Your lease calls for an HVAC charge that covers the cost of a maintenance contract. KLM will be responsible for securing the maintenance contract for the general upkeep of the HVAC associated with the space you are leasing. You are responsible for the cost of said HVAC maintenance contract as outlined in your lease.

Maintaining Your Space

Once you take occupancy, you are responsible for the interior of the space, or anything that you use on a day-to-day basis.

This includes such items as, but not limited to: exterior doors, interior doors, private overhead doors, plumbing, interior lighting, electrical, exit and emergency lighting, fire extinguishers, and hot water heaters.

Maintenance Requests

Communicating the maintenance request process to staff is integral. Failure to inform staff of these procedures may result in significant delays.

KLM has resources to help you with any problem that may arise within your space. When service is needed, a completed and submitted Maintenance Request Form is required. You can find the online Maintenance Request Form at www.kormanleder.com/forms/maintenance.

Korman|Lederer and Ass. X
kormanlederer.com/forms/maintenance

MAINTENANCE REQUEST FORM

Email *

Company Name *

Company Contact


Address Suite #(S)

City

Office PH. # * Bus. Hours.

Description of Labor/Service (PLEASE BE SPECIFIC)

A WRITTEN ESTIMATE IS REQUIRED FOR ANY WORK FOR WHICH TENANT IS RESPONSIBLE FOR PAYMENT PRIOR TO PROCEEDING WITH REPAIR



PLEASE CALL US IMMEDIATELY TO CANCEL ANY MAINTENANCE REQUESTS.

PLEASE NOTE: IF YOUR ACCOUNT WITH KORMAN/LEDERER IS NOT CURRENT, AND THIS REQUEST IS NOT AN EMERGENCY, YOUR MAINTENANCE REQUEST MAY BE DENIED!

3100 Dundas Road, Suite 116, Northbrook, IL 60062 (847) 499-1000 fax (847) 295-0722

While a phone call can be made, service cannot be ordered without a completed and submitted Maintenance Request Form.

When received, the appropriate vendor will be contacted and dispatched to address your issue. You will be charged for services within your space. The charge will include travel time as well as charges for the repair.

In cases where a service call is placed and then cancelled, and the vendor cannot be reached in time to stop them, you will be charged for travel time.

KLM manages many properties. Sometimes our vendors are extremely busy and there may be a short delay before your needs are met. However, emergency situations are dealt with promptly.

Roof Leaks

If a roof leak occurs within your space, complete and submit a Maintenance Request Form and KLM will arrange for a roofer to come out and repair the leak. Roofers will not come out while it is raining so be sure to mark the exact spot where the leaking is occurring. This makes it easier for the roofer to locate the source of the leak.

After the leak has been addressed, and no further leaking is noticed, please complete and submit a Maintenance Request Form for replacement of damaged ceiling tiles, if any.

Plumbing

If your toilet is clogged, try plunging it first. NEVER put paper towels, tampons, sanitary napkins, empty toilet paper rolls, grease, or any other objects that are not meant to be flushed down the toilet. NEVER put any wipe, "flushable" or otherwise, down the toilet. You will be responsible for any plumbing bill if any item other than human waste and toilet paper is placed down the drain.

Fire Department Inspections

Generally, the local fire department will inspect your space annually. They will provide you with an inspection report detailing any violations. You will be responsible for correcting any violations they indicate on their report. Typical infractions include use of extension cords, emergency lighting, blocked paths of egress, and faulty fire extinguishers.

Fire Extinguishers

You are responsible for providing and maintaining fire extinguishers per the local fire code. KLM can recommend a provider if requested.

HEAT-Before You Call for Service

BASICS

1. Please note that the Chicago heating requirement is 68 degrees residential. There are NO commercial requirements.
2. Is the circuit breaker in the "on" position? Instruct all employees where circuit breakers are located and how to use them. You will be billed for service calls related to "wrong" thermostat position and tripped circuit breakers.
3. Check thermostat mode selector is in "heat" position, selector switch on fan "auto"
4. Check on-off switch in furnace area
5. Should service Technicians find all mechanicals in good working order, you will be billed for said service charge.

START-UP ATTEMPT

1. Make sure thermostat is set 3 to 5 degrees above thermometer reading
2. Allow 30 to 115 minutes for unit to come on (especially during extreme cold or high winds)

This will usually re-set the unit.

NOTE: If the temperature has been lowered for nights or weekends, a recovery period of up to 2 to 3 hours may be necessary to achieve desired temperature.

If the system is equipped with a set-back thermostat or time clock, press the over-ride pad or trip the switch as applicable.

A/C-Before You Call for Service

BASICS

1. Is the circuit breaker in the "on" position? Instruct all employees where circuit breakers are located and how to use them. You will be billed for service calls related to tripped circuit breakers.
2. Check thermostat is mode selector in "AC" position, selector switch on fan "on"
3. Should service Technicians find all mechanicals in good working order, you will be billed for said service charge.

START-UP ATTEMPT

1. Make sure thermostat is set 3 to 5 degrees below thermometer reading
2. Allow 30 to 50 minutes for unit to come on
3. If unit does not come on, reset thermostat to lowest possible setting
4. Wait up to 120 minutes for reset, especially during extreme and prolonged heat

This will usually re-set the unit.

NOTE: If the temperature has been raised for nights or weekends, a recovery period of up to 2 to 3 hours may be necessary to achieve desired temperature.

If the system is equipped with a set-back thermostat or time clock, press the over-ride pad or trip the switch as applicable.

Dumpster Areas

Some properties have common dumpsters and dumpster areas for your use. The dumpster is provided for normal trash generated by running your office. Everything discarded must fit into the dumpster. All boxes must be broken down and placed inside the dumpster. Nothing may be discarded on the ground.

Other refuse such as discarded furniture, wood, large boxes, and pallets are not our responsibility. Village codes prohibit outside storage of any kind. Keep these items in your space until you can arrange for their disposal.

Parking Lots

The parking lot is a common area available to all tenants. There is no reserved or dedicated parking (with the exception of designated stalls for handicapped parking only).

Parking is on a strict first come first served basis. As a common courtesy, KLM asks that you please advise employees and staff to refrain from parking their vehicles directly in front of other tenant's entrances.

No overnight parking or storage of any type of vehicle is allowed on KLM lots. If it is unavoidable for you to have a vehicle in the parking lot overnight, call our office and provide us with the make, model, and license plate number of the vehicle.

In no event is KLM responsible for the security of vehicles. KLM recommends not to leave anything of value in direct sight and to keep the vehicle locked.

Loading Docks or Common Loading Corridors

No trucks or vehicles are allowed to be parked overnight in common loading docks. Further, trucks should only be left in dock positions when loading and unloading are actually occurring.

The common corridors are not to be used for anything other than transporting of freight from your space to the trucks in the loading area. Storage of any type in these corridors is against fire codes and the building rules. Any property left in the corridors will be disposed of at your sole expense.

Landlord Consent for Lenders

If you require a consent form to be approved and signed by KLM, you will need to submit the proposed documentation to KLM. KLM will require a legal counsel review all related documents and a reasonable period for such review. You will be responsible for the cost of this legal review.

Assignment and Subleasing

Your lease has language governing your rights to assign or sublease all or a portion of your space. In all cases, KLM approval is required. KLM will require a legal counsel review all related documents and a reasonable period for such review. You will be responsible for the cost of this legal review.

Alterations

Should you wish to make or contract to have alterations made to your Premises, you must do so in accordance with Article 9.4 of your Lease. Plans and specifications must be submitted to KLM for review and approval prior to any work commencing. KLM requires receipt of final lien waivers from all contractors who do work on your behalf. All work must be completed with proper permits and conform to local codes.

Pets

No pets of any kind are allowed on the Premises, regardless of whether such pet or animal is owned by you or your guests, unless you have specific written permission from KLM. Should KLM find that a pet is being or has been kept on Premises without the required

permission, a pet fee will immediately be assessed, and, in addition, the non-compliance may be considered grounds for termination of the Lease.

Emergencies

In the event of night time or weekend emergencies involving the following: plumbing, minor electrical or lighting, or HVAC outages, please feel free to contact a contractor of your choice.

In the event of a fire:

- CALL THE FIRE/POLICE DEPARTMENT at 911; and
- Provide the building address, suite number, and your company name; and
- Remove any people from the Premises affected by fire; and
- Call the Property Manager to report the incident.

Certificate of Insurance

On the anniversary of your occupancy it will be necessary to provide us with an updated certificate of insurance.

Smoking

Smoking is not allowed in the units.

Pest Control

You will maintain a pest control program appropriate to your use.

MOVING ON

If you ever find it necessary to end your Korman/Lederer tenancy, here are some things you should know.

It is important to set up a specific time for a walkthrough of your space prior to the end of your lease. During this walkthrough, things will be noted such as; light bulbs that need replacement, faulty ballasts, damage to fixtures, malfunctioning hot water heaters, any adjustments to the space such as electrical pulled through the ceiling or walls, and other items of concern related to restoring the space to its original condition. A more detailed explanation of this work is included as Exhibit M.

It is your responsibility to complete all of this work prior to returning the space to KLM. Generally speaking, you will be given 10 days to make the necessary repairs to the space. Any work remaining after this time will be arranged by KLM and the costs deducted from your security deposit.

Security Deposits

Your security deposit may not be used as the last month's rent. Be sure to provide us with a forwarding address so that we can return your security deposit to you.

Generally speaking, security deposits (less any remaining costs due KLM) will be returned 45 days after you have moved out.

Utilities

It is your responsibility to call the utility companies and set up a final reading as of the final day of your lease. Utilities will automatically be transferred to KLM after the final reading. **UNDER NO CIRCUMSTANCES SHOULD YOU HAVE THE UTILITIES TURNED OFF.** Any damages that occur due to no heat will be your responsibility.

Other items of concern related to your move are:

- In winter, be sure the thermostat is left at 55-60 degrees to prevent freezing of pipes.
- Remove all property from the space.
- Have your telephone and security equipment removed before you actively move.
- Do not tamper with your signage.

LEASE EXHIBIT M

MOVE OUT CONDITIONS

You will surrender the Premises in the same condition as received, ordinary wear and tear, casualty loss, and condemnation covered by Paragraphs 12 and 13 excepted.

Before surrendering the Premises, you will remove all of your personal property, trade fixtures, and such alterations or additions to the Premises made by you as may be specified for removal thereof. If you fail to remove such personal property, trade fixtures, and alterations upon the Expiration Date or earlier termination of this Lease, the same shall be deemed abandoned and shall become the property of KLM. The following list is designed to assist you in the move-out procedures but is not intended to be all inclusive. Upon your completion of surrender obligations as provided in the Lease, contact the Property Manager to coordinate turning in keys, utility changeover, and scheduling an inspection of the Premises. In the event you fail to arrange a joint inspection of the Premises with KLM upon your vacating of the Premises, KLM's inspection at, or subsequent to, your vacation of the Premises shall be conclusively deemed correct for the purpose of determining your responsibilities with respect to the repair and restoration of the Premises.

- All lighting must be in good working order with replacement of bulbs, ballasts, and lenses as needed.
- All truck doors and dock levelers must be serviced and in good operating order, including overhead door springs, rollers, tracks and motorized door operator. Replace dented truck door panels, broken panels and cracked lumber, adjust door tension to insure proper operation, and paint replacement doors to match the Building standard.
- All portions of the Premises must be clean, and free of excessive dust, dirt, grease, oil and stains. This includes all flooring (including all carpets and vinyl tiles), all fixtures, the coffee bar, restroom areas, windows and walls. All holes or chips in the walls or flooring must be repaired. The walls must be in paintable condition.
- The floor/slab will be in good condition and repair. Cracks in concrete and asphalt will be acceptable if they are ordinary wear and tear, and are not the result of misuse. There must be no protrusion of anchors from the warehouse floor and all holes must be patched.
- All windows with cracks or breakage must be replaced.
- You must provide keys for all locks on the Premises, including front doors, rear doors, and interior doors.
- All mechanical and electrical systems must be left in a safe condition that conforms to code. All low voltage wiring must be removed from the Premises and any damage caused by that removal repaired to KLM's reasonable satisfaction. Wires and installations will be corrected to KLM's reasonable satisfaction. If machinery/equipment is removed, the electrical lines must be properly terminated at the nearest junction box.
- All plumbing fixtures must be in good working order and not leak, including, the water heater, faucets and toilets.
- Drop grid ceiling must be free of excessive dust. No ceiling tiles may be missing or damaged.
- All trash must be removed from both inside and outside of the Building.
- All signs in front of the Building and on exterior or interior doors must be removed.