

LEASE AGREEMENT

LEASE AGREEMENT (this “Lease”) dated December __, 2020 between [REDACTED] HOTEL OPERATING LLC, a New York limited liability company, having an office at 510 West 42nd Street, New York, New York 10007 (together with its successors and/or assigns, “Landlord”), and [REDACTED] GROUP INC., a New York corporation, having an address at 510 West 42nd Street, New York, New York 10007 (“Tenant”).

ARTICLE 1

Building; Premises

1.01 Landlord is the sublessee under that certain Master Lease by and among [REDACTED]nd Street Developers, LLC (“Master Landlord”) and 5 [REDACTED] W42 Holdings, LLC, as tenant, as subleased to Landlord pursuant to that certain Sublease dated April 28, 2017 (collectively, the “Master Lease”) of the parcel of land described in Exhibit A-1 annexed hereto and made a part hereof (the “Land”) on which is situated a building having an address of 512 West 42nd Street, New York, New York (the “Building”).

1.02 The “Premises” shall consist of a portion of the ground floor and a portion of the cellar containing an aggregate of approximately 20,000 square feet in the Building, which Premises is shown on Exhibit A-2 attached hereto and made a part hereof. In consideration of Tenant’s payment of the Minimum Rent and Additional Rent (each as defined below) and Tenant’s performance of the covenants hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby takes from Landlord the Premises.

ARTICLE 2

Term

2.01. The term of this Lease (the “Term”) (a) shall commence on the earlier of (i) Tenant’s receipt of Community Board Approval (as hereinafter defined), and (ii) the expiration of the CB Approval Period (as hereinafter defined) (such earlier date being referred to herein as the “Commencement Date”), and (b) shall end on 11:59 p.m. on the day immediately preceding the fifteenth (15th) anniversary of the Commencement Date (the “Expiration Date”) or on such earlier date upon which the Term shall expire or be canceled or terminated pursuant to any of the conditions or covenants of this Lease or pursuant to law.

2.02. The phrase “Lease Year” shall mean a period of twelve (12) consecutive months during the Term with the exception of the first (1st) Lease Year which shall commence on the Commencement Date and end one (1) year from the last day of the month in which the Commencement Date shall occur (unless the Commencement Date shall be on the first (1st) day of a month, in which case first (1st) Lease Year shall end on the day immediately preceding the one (1) year anniversary of the Commencement Date). Each successive “Lease Year” shall be the successive twelve (12) month period thereafter (or the portion thereof occurring prior to the expiration or termination of this Lease) during the Term.

ARTICLE 3

Minimum Rent; Additional Rent

3.01 The rents (“Rents”) shall be and consist of:

(a) The minimum rent payable by Tenant per annum (“Minimum Rent”) (x) during the first three (3) Lease Years shall be equal to the greater of (i) the amount of Minimum Annual Rent set forth in the chart below, and (ii) ten (10%) percent of the Gross Sales (as hereinafter defined), and (y) after the third (3rd) Lease Year, the Minimum Rent shall be the fixed amount set forth in the following chart, all as follows:

<u>Lease Year</u>	<u>Minimum Annual Rent Greater of the Following:</u>	<u>Monthly Installment Greater of the Following:</u>
1	\$804,000.00 and 10% of Gross Sales	\$67,000.00 and 10% of Gross Sales
2	\$960,000.00 and 10% of Gross Sales	\$80,000.00 and 10% of Gross Sales
3	\$1,080,000.00 and 10% of Gross Sales	\$90,000.00 and 10% of Gross Sales