

MEMORANDUM OF LEASE

2008 068095

9

**THIS INSTRUMENT  
PREPARED BY AND AFTER  
RECORDING RETURN TO:**

Caryn S. Englander, Esq.  
DLA Piper US LLP  
203 N. LaSalle Street, Suite 1900  
Chicago, IL 60601

7

**FILED**

SEP 05 2008

PEGGY HOLINGA KATONA  
LAKE COUNTY CLERK

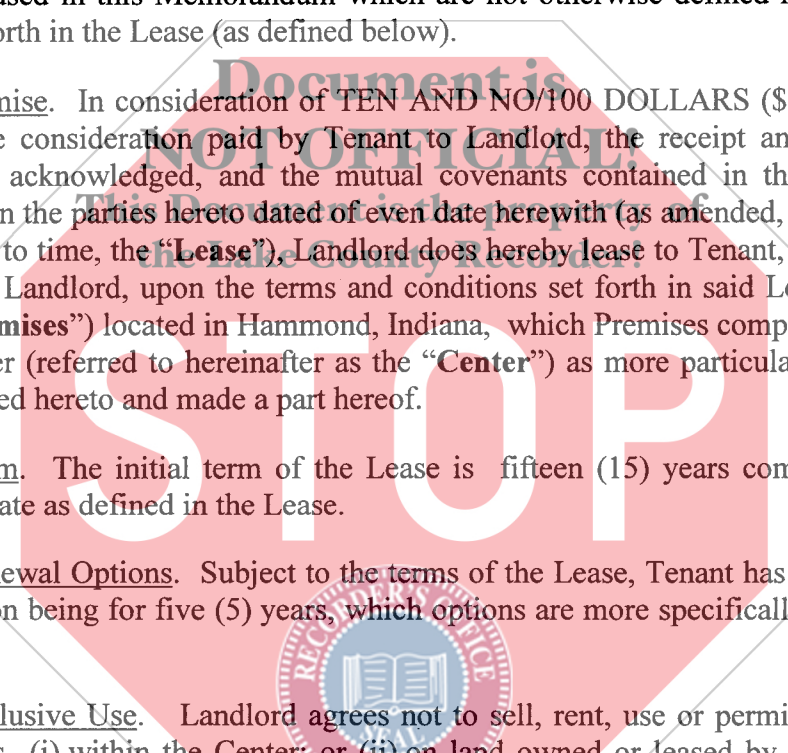
THIS MEMORANDUM OF LEASE (the "Memorandum"), dated as of the 18<sup>TH</sup> day of August, 2008, is made by and among **BLUE LIGHT HOLDINGS, L.L.C.**, an Illinois limited liability company, with an office at 707 Skokie Boulevard, Suite 210, Northbrook, Illinois 60062 (hereinafter referred to as "**Landlord**"), and **KERASOTES SHOWPLACE THEATRES, LLC**, a Delaware limited liability company, with an office at 224 N. Des Plaines, Suite 200, Chicago, IL 60601 (hereinafter referred to as "**Tenant**"). All capitalized terms used in this Memorandum which are not otherwise defined herein shall have the meanings set forth in the Lease (as defined below).

1. Demise. In consideration of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid by Tenant to Landlord, the receipt and sufficiency of which are hereby acknowledged, and the mutual covenants contained in that certain Lease Agreement between the parties hereto dated of even date herewith (as amended, supplemented or restated from time to time, the "Lease"), Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions set forth in said Lease, certain real property (the "Premises") located in Hammond, Indiana, which Premises comprises a portion of the shopping center (referred to hereinafter as the "Center") as more particularly described on Exhibit "A" attached hereto and made a part hereof.

2. Term. The initial term of the Lease is fifteen (15) years commencing on the Commencement Date as defined in the Lease.

3. Renewal Options. Subject to the terms of the Lease, Tenant has four (4) renewal options, each option being for five (5) years, which options are more specifically set forth in the Lease.

4. Exclusive Use. Landlord agrees not to sell, rent, use or permit to be used any premises or spaces (i) within the Center; or (ii) on land owned or leased by Landlord or any Affiliate of Landlord within three (3) miles of the Center, or (iii) within the project currently known as Woodmar, for use as a motion picture theater or for the commercial exhibition of motion pictures, films, videos, or images, or any technological advancements of the foregoing, including, without limitation, so-called specialty theaters (e.g., I-Max, I-Works and Showscan-type theaters), or for the sale of tickets to any other motion picture theater (other than the Premises or any theater owned by Tenant or an Affiliate of Tenant) so long as the Premises is open and operating as a motion picture theatre or is closed due to a Permitted Discontinuance.



28 LP  
ck 785019  
786621

011968

The restrictions of this Section shall not be applicable to any party, or any partner, member, investor, or Affiliate of any such party, which acquires the Center or any portion thereof, which, as of the date of such acquisition, owns property within a three (3) mile radius of the Center which contains a motion picture theater, or to any property that may be acquired by Landlord on which a motion picture theater is being operated as of the date of such acquisition. Landlord and Tenant agree that this clause is given as an inducement to Tenant to enter into this Lease, and is not to be construed as an attempt to restrain the free trade of other tenants or occupants of the Center, but merely designed to provide the best mixture of tenants at the Center and to maximize the agreed and bargained for rent set forth in this Lease. As used herein, "Affiliate" shall mean as applied to a person or entity, any other person or entity directly or indirectly controlling, controlled by, or under common control with, that person or entity).

5. Restrictions on Food Sales. To the extent permitted by law, Landlord will not sell or permit to be sold or otherwise allow or suffer to be sold popcorn, packaged candy or candy sold in bulk from any premises or space within the Center (other than the Premises); provided that this restriction shall not apply to (i) any store leasing and occupying at least 25,000 rentable square feet, so long as such store does not advertise or market such popcorn or candy as an alternative to popcorn and candy purchased from the Premises, or (ii) the incidental sale of popcorn or candy so long as said incidental sale is limited to 50 square feet of sales area and so long as such store does not advertise or market such popcorn or candy as an alternative to popcorn and candy purchased from the Premises, or (iii) Aldi, Walgreens, CVS or any full service grocery store or pharmacy, so long as such store does not advertise or market such popcorn and candy as an alternative to popcorn or candy purchased from the Premises.

6. Signage. Tenant shall have the exclusive right, at its sole cost and expense, to apply for and install a pylon sign for Tenant's exclusive use in that portion of the parking area of the Center as delineated on Exhibit A-1 attached hereto and made a part hereof, such pylon sign to be visible from Interstate-80. Tenant shall also have the right, at its sole cost and expense, to install and any other signage on Tenant's Parcel, the number, size, design, exact location and type of construction of such pylon sign and other signage to be subject to all Requirements (as hereinafter defined). In no event shall the aforesaid pylon sign or any other signage flash, scintillate, make noise or emit smoke. Tenant, at its sole cost, shall maintain said pylon sign and other signage and any awning, canopy or other exterior equipment as may be reasonably approved by Landlord, in good condition and repair. In the event Landlord installs a pylon sign fronting US Highway 41 for the Center, then, subject to any and all applicable Requirements, Tenant shall have the right, at Tenant's sole cost, to install an identification sign panel on such pylon sign. Tenant's sign panel shall conform with Landlord's plans and specifications and shall be placed at the location so designated by Landlord. Landlord hereby approves Tenant's sign package attached to the Lease as Exhibit F. Tenant shall have the right to change Tenant's signage to reflect a change in Tenant's trade name or a change in Tenant's logo or graphics. Tenant's signage shall comply with all laws, codes and ordinances.

7. Interpretation; Conflicts. This Agreement does not alter, amend, modify or change the Lease in any respect. This Memorandum is executed by the parties solely for the purpose of recordation in the real estate records of Lake County, Indiana, and it is the intent of the parties that it shall give notice to and confirm the Lease to the same extent as if all of the provisions of the Lease were fully set forth herein. The Lease is hereby incorporated by

reference into this Memorandum, and the parties hereby ratify and confirm all of the terms and provisions of the Lease. In the event of any conflict or inconsistency between the provisions of this Memorandum and the provisions of the Lease, the provisions of the Lease shall control. A copy of the Lease is on file with Tenant.

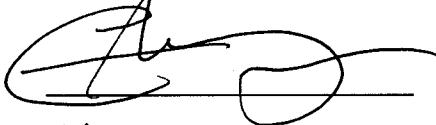
This Memorandum shall be construed in accordance with the laws of the State of Indiana.



IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed and sealed as of the date first above written.

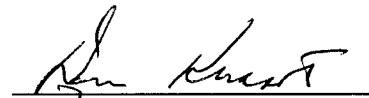
**LANDLORD:**

**BLUE LIGHT HOLDINGS, L.L.C., an Illinois limited liability company**

By:   
Its: MANAGER

**TENANT:**

**KERASOTES SHOWPLACE THEATRES, LLC, a Delaware limited liability company**

By:   
Its: President



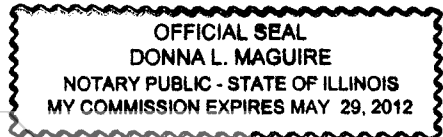
STATE OF Illinois )  
 ) SS.  
COUNTY OF Lake )

I, Donna Maguire, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that George Thekopoulos, personally known to me to be the Manager of **BLUE LIGHT HOLDINGS, LLC**, an Illinois limited liability company organized under the laws of the State of Illinois, whose name is subscribed to the within Instrument, appeared before me this day in person and severally acknowledged that as such he/she signed and delivered the said Instrument as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 18 day of August, 2008.

Donna Maguire  
Notary Public

My Commission Expires: 5/29/12



STATE OF Illinois )  
 ) SS.  
COUNTY OF Cook )

I, Joy Juhl, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that Diana Kerasotes, personally known to me to be the President of **KERASOTES SHOWPLACE THEATRES, LLC**, a limited liability company organized under the laws of the State of Delaware, whose name is subscribed to the within Instrument, appeared before me this day in person and severally acknowledged that as such he/she signed and delivered the said Instrument as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 13 day of August, 2008.

Joy Juhl  
Notary Public

My Commission Expires: 05/17/10



**EXHIBIT A TO MEMORANDUM OF LEASE**

**LEGAL DESCRIPTION OF CENTER**

PARCEL 1:

THAT PART OF THE EAST HALF OF SECTION 17, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN AND PART OF THE WEST HALF OF SECTION 16, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN THE CITY OF HAMMOND, LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE EAST LINE OF INDIANAPOLIS BOULEVARD 973.10 FEET NORTHWESTERLY OF THE THREAD OF THE STREAM OF THE LITTLE CALUMET RIVER (LOCATED AND DESCRIBED IN DOCUMENT NO. 481268 AND RECORDED MAY 13, 1963) AS MEASURED ALONG THE EAST LINE OF SAID INDIANAPOLIS BOULEVARD (SAID EAST LINE OF INDIANAPOLIS BOULEVARD HAVING A BEARING AND DISTANCE FROM THE THREAD OF THE STREAM OF NORTH 35 DEGREES 12 MINUTES 30 SECONDS WEST, AT A DISTANCE OF 553.10 AND NORTH 37 DEGREES 21 MINUTES WEST, AT A DISTANCE OF 420.0 FEET); SAID POINT ALSO BEING 60.0 FEET SOUTH 37 DEGREES 21 MINUTES EAST OF STATION 71 PLUS 80 OF LINE AA (+80.87 FEET) AS RECORDED IN INDIANA STATE HIGHWAY COMMISSION RIGHT OF WAY GRANT DOCUMENT NO. 457419 AND IN BOOK 608, PAGE 473 AND AS MEASURED ALONG SAID EAST LINE OF INDIANAPOLIS BOULEVARD; THENCE NORTH 52 DEGREES 39 MINUTES EAST, A DISTANCE OF 840.0 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 36 DEGREES 28 MINUTES 59 SECONDS EAST, A DISTANCE OF 1103 FEET; THENCE NORTH 53 DEGREES 31 MINUTES 01 SECONDS EAST, A DISTANCE OF 101.26 FEET TO A POINT ON THE EAST LINE OF SECTION 17 AND THE WEST LINE OF SECTION 16; THENCE CONTINUING NORTH 53 DEGREES 31 MINUTES 01 SECONDS EAST, A DISTANCE OF 404.66; THENCE NORTH 36 DEGREES 28 MINUTES 59 SECONDS WEST, 319.00 FEET; THENCE NORTH 53 DEGREES 31 MINUTES 01 SECONDS EAST, 64.00 FEET; THENCE NORTH 36 DEGREES 28 MINUTES 59 SECONDS WEST 561.87 FEET TO A POINT ON CURVE NO. 1, HAVING A RADIUS OF 1050.00 FEET; THENCE WESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 378.65 FEET, SAID CURVE HAVING A CHORD BEARING OF SOUTH 76 DEGREES 06 MINUTES 13 SECONDS WEST AND A CHORD LENGTH OF 376.60 FEET; TO A POINT OF CURVE NO. 2 SAID CURVE NO. 2 HAVING A RADIUS OF 200.00 FEET, THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE NO. 2, A DISTANCE OF 186.75 FEET TO THE P. T. OF CURVE NO. 2; THENCE SOUTH 52 DEGREES 39 MINUTES WEST, A DISTANCE OF 60.0 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

EASEMENT FOR THE BENEFIT OF PARCEL 1 (AMONG OTHER LAND) AS CREATED BY GRANT OF EASEMENT DATED MARCH 17, 1969 AND RECORDED MAY 1, 1969, AS DOCUMENT NO. 14765, IN THE RECORDER'S OFFICE OF LAKE COUNTY, INDIANA, FOR THE PURPOSE OF INGRESS AND EGRESS OVER THE LAND DESCRIBED AS FOLLOWS: PART OF THE EAST HALF OF SECTION 17, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN THE CITY OF HAMMOND, LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE EAST LINE OF INDIANAPOLIS BOULEVARD 913.00 FEET NORTHWESTERLY OF THE THREAD OF THE STREAM OF THE LITTLE CALUMET RIVER (LOCATED AND DESCRIBED IN DOCUMENT NO. 481268 RECORDED ON MAY 13, 1963) AS MEASURED ALONG THE EAST LINE OF SAID INDIANAPOLIS BOULEVARD (SAID EAST LINE OF INDIANAPOLIS BOULEVARD HAVING A BEARING AND DISTANCE FROM THE THREAD OF THE STREAM OF NORTH 35 DEGREES 12 MINUTES 30 SECONDS WEST, AT A DISTANCE OF 553.10 FEET AND NORTH 37 DEGREES 21 MINUTES WEST, AT A DISTANCE OF 360.00 FEET); SAID POINT BEING 120.00 FEET SOUTH 37 DEGREES 21 MINUTES EAST OF STATION 71+80 OF LINE AA (+80.87 FEET) AS

RECORDED IN INDIANA STATE HIGHWAY COMMISSION RIGHT OF WAY GRANT RECORDED MARCH 18, 1950, AS DOCUMENT NO. 457419 AND IN BOOK 608, PAGE 473) AND AS MEASURED ALONG SAID EAST LINE OF INDIANAPOLIS BOULEVARD; THENCE NORTH 37 DEGREES 21 MINUTES WEST ALONG SAID EAST LINE A DISTANCE OF 60 FEET; THENCE NORTH 52 DEGREES 39 MINUTES EAST, A DISTANCE OF 840 FEET; THENCE SOUTH 36 DEGREES 28 MINUTES 59 SECONDS EAST, A DISTANCE OF 60 FEET; THENCE SOUTH 52 DEGREES 39 MINUTES WEST, 840 FEET TO THE PLACE OF BEGINNING.

PARCEL 3:

A 40 FOOT EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY EASEMENT AGREEMENT DATED NOVEMBER 25, 1985 AND RECORDED DECEMBER 20, 1985 AS DOCUMENT NO. 833951 IN THE RECORDER'S OFFICE OF LAKE COUNTY, INDIANA, FOR THE PURPOSE OF INGRESS AND EGRESS OVER THE LAND DESCRIBED AS FOLLOWS:

PART OF THE EAST HALF OF SECTION 17, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN THE CITY OF HAMMOND, LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE EAST LINE OF INDIANAPOLIS BOULEVARD 913.00 FEET NORTHWESTERLY OF THE THREAD OF THE STREAM OF THE LITTLE CALUMET RIVER (LOCATED AND DESCRIBED IN DOCUMENT NO. 481268 RECORDED ON MAY 13, 1963) AS MEASURED ALONG THE EAST LINE OF SAID INDIANAPOLIS BOULEVARD (SAID EAST LINE OF INDIANAPOLIS BOULEVARD HAVING A BEARING AND DISTANCE FROM THE THREAD OF THE STREAM OF NORTH 35 DEGREES 12 MINUTES 30 SECONDS WEST, AT A DISTANCE OF 553.10 FEET AND NORTH 37 DEGREES 21 MINUTES WEST, AT A DISTANCE OF 360.00 FEET); SAID POINT BEING 120.00 FEET SOUTH 37 DEGREES 21 MINUTES EAST OF STATION 71+ 80 OF LINE AA (+80.87 FEET) AS RECORDED IN INDIANA STATE HIGHWAY COMMISSION RIGHT OF WAY GRANT RECORDED MARCH 18, 1950, AS DOCUMENT NO. 457419 AND IN BOOK 608, PAGE 473) AND AS MEASURED ALONG SAID EAST LINE OF INDIANAPOLIS BOULEVARD; THENCE NORTH 37 DEGREES 21 MINUTES WEST ALONG SAID EAST LINE A DISTANCE OF 60 FEET; THENCE NORTH 52 DEGREES 39 MINUTES EAST, A DISTANCE OF 840 FEET; THENCE SOUTH 36 DEGREES 28 MINUTES 59 SECONDS EAST, A DISTANCE OF 60 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 36 DEGREES 28 MINUTES 59 SECONDS EAST, 943.0 FEET; THENCE SOUTH 53 DEGREES 31 MINUTES 01 SECONDS WEST, 40.0 FEET; THENCE NORTH 36 DEGREES 28 MINUTES 59 SECONDS WEST, 943.0 FEET; THENCE NORTH 53 DEGREES 31 MINUTES 01 SECOND EAST, 40.0 FEET TO THE POINT OF BEGINNING.

PARCEL 4:

THAT PART OF SOUTHEAST ¼ SECTION 17, TOWNSHIP 36 NORTH RANGE 9 WEST OF THE 2<sup>ND</sup> PRINCIPAL MERIDIAN, IN HAMMOND, DESCRIBED AS FOLLOWS; COMMENCING ON THE EAST LINE OF INDIANAPOLIS BOULEVARD 313.10 FEET NORTHWESTERLY OF THE THREAD OF THE STREAM OF THE LITTLE CALUMET RIVER LOCATED AND DESCRIBED IN DOCUMENT 481268 RECORDED MAY 13, 1963 AS MEASURED ALONG SAID EAST LINE, SAID EAST LINE HAVING A BEARING OF NORTH 35 DEGREES 12 MINUTES 30 SECONDS WEST; THENCE CONTINUING NORTH 35 DEGREES 12 MINUTES 30 SECONDS WEST ALONG SAID EAST LINE 240 FEET; THENCE NORTH 37 DEGREES 21 MINUTES WEST 360 FEET; THENCE NORTH 52 DEGREES 39 MINUTES EAST 800 FEET; THENCE SOUTH 36 DEGREES 28 MINUTES 59 SECONDS EAST 630 FEET; THENCE SOUTH 54 DEGREES 48 MINUTES 21 SECONDS WEST 800 FEET TO THE PLACE OF BEGINNING; EXCEPT THEREFROM THAT PART CONVEYED TO THE STATE OF INDIANA IN A DEED RECORDED NOVEMBER 6, 1995 AS DOCUMENT NO. 95067542. TOGETHER WITH A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS THAT PART OF THE SOUTHEAST ¼ OF SECTION 17, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE 2<sup>ND</sup> PRINCIPAL MERIDIAN, IN HAMMOND, DESCRIBED AS FOLLOWS: COMMENCING ON THE EAST LINE OF INDIANAPOLIS BLVD. 913.10 FEET NORTHWESTERLY OF THE THREAD OF THE STREAM OF

THE LITTLE CALUMET RIVER LOCATED AND DESCRIBED IN DOCUMENT NO. 481268 RECORDED MAY 13, 1963 AS MEASURED ALONG SAID EAST LINES SAID EAST LINES HAVING A BEARING OF NORTH 35 DEGREES 12 MINUTES 30 SECONDS WEST AND NORTH 37 DEGREES 21 MINUTES WEST; THENCE NORTH 37 DEGREES 21 MINUTES WEST ALONG SAID EAST LINE 60 FEET THENCE NORTH 52 DEGREES 39 MINUTES EAST 800 FEET; THENCE SOUTH 36 DEGREES 28 MINUTES 59 SECONDS EAST 60 FEET; THENCE SOUTH 52 DEGREES 39 MINUTES WEST 800 FEET TO THE PLACE OF BEGINNING.





**EXHIBIT A-1 TO MEMORANDUM OF LEASE**

