

## GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("Guaranty") is made as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by the undersigned [INSERT NAME OF GUARANTOR] ("Guarantor") to and for the benefit of [INSERT NAME OF LANDLORD] ("Landlord").

### RECITALS:

- A. Landlord, as landlord, and [INSERT NAME OF TENANT] ("Tenant"), as tenant, have entered into, or are about to enter into, a certain lease dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ pursuant to which Tenant leases or will lease from Landlord certain premises located at \_\_\_\_\_ [insert address], [name of city], Illinois, all as more particularly described in the said lease (said lease, as heretofore or hereafter supplemented, amended, restated, renewed, extended, replaced or modified, is hereinafter referred to as the "Lease"). All capitalized terms which are not expressly defined in this Guaranty shall have the same meanings herein as are ascribed to such terms in the Lease.
- B. As a condition to its execution and performance of the Lease, Landlord requires that Guarantor execute and deliver this Guaranty of all obligations of Tenant arising and all sums due by Tenant under the Lease. The execution and delivery of this Guaranty by Guarantor is a material inducement to Landlord for the execution and performance of the Lease.
- C. Guarantor is a \_\_\_\_\_ [describe the relationship between Guarantor and Tenant] of Tenant and, having a financial interest in Tenant, will be benefited by the Lease. Accordingly, Guarantor has agreed to execute, deliver and perform this Guaranty.

NOW THEREFORE, in consideration of the foregoing, and in consideration of Landlord executing and performing its obligations under the Lease and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Guarantor covenants and agrees as follows:

1. *Recitals.* The Recitals set forth above are incorporated herein and shall be deemed terms and provisions hereof.
2. *Guaranty.* Guarantor absolutely, unconditionally and irrevocably guarantees to Landlord:
  - (a) the full and prompt payment when due, whether upon acceleration or otherwise, and at all times thereafter, of any and all rentals, debts and obligations of Tenant for the payment of money, however created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, due or to become due, known or unknown to Guarantor at the time of the execution of this Guaranty, including, without limitation, all Rents, late fees, Rent Adjustments, payments in respect of real estate taxes, assessments, governmental charges, premiums for insurance policies, amounts required to discharge mechanics' and materialmen's liens and claims therefor, and any other sums which may now be or hereafter become due by Tenant under the Lease;
  - (b) the payment of all Enforcement Costs (as hereinafter defined); and
  - (c) the full, complete and punctual observance, performance and satisfaction of all covenants, terms, conditions, obligations, duties and agreements of Tenant under the Lease.

All amounts due and debts, liabilities and payment obligations described in subparagraphs 2(a) and 2(b) are referred to herein as "Liabilities." All obligations described in subparagraph 2(c) are referred to herein as "Obligations."

3. *Landlord's Remedies.*

- (a) This Guaranty is an absolute, irrevocable, present and continuing guaranty of payment and performance and not merely a guaranty of collection. In the event of any default by Tenant under the Lease or under any other obligation to Landlord, after the expiration of any cure period applicable thereto, Guarantor agrees, on demand by Landlord, to pay all Liabilities then due hereunder, regardless of any defense, right of setoff or claim which Tenant or Guarantor may have against Landlord. In the event that there shall be any default by Tenant, Guarantor or any other party under the Lease in the due and timely performance and observance of the Obligations or any of them after the expiration of any cure period applicable thereto, then, in such event, Guarantor agrees, on demand by Landlord: (i) to perform the Obligations; and (ii) to indemnify and hold Landlord and the other Indemnified Parties (as hereinafter defined) harmless from and against any and all loss, damage, cost, expense, injury or liability Landlord or the Indemnified Parties may suffer or incur in connection with the exercise of the rights under the Lease, this Guaranty or otherwise in respect of the Premises. If Guarantor fails to commence and pursue diligently the performance of the Obligations within five (5) days after its receipt of written notice from Landlord demanding the performance of Guarantor, then, either before or after pursuing any other remedy of Landlord against Guarantor or Tenant and regardless of whether Landlord shall ever pursue any such other remedy, Landlord shall have the right (but not the obligation) to perform the Obligations or to call upon any other reputable parties to perform the Obligations, with such changes or modifications as Landlord deems necessary or appropriate, and shall have the right to expend such sums as Landlord in its discretion deems proper in order to complete the performance of the Obligations. During the course of the performance of any Obligations undertaken by Landlord or by any other party on behalf of Landlord, Guarantor shall pay on demand any amounts due to third parties in connection therewith. All amounts required to be paid by the terms hereof shall be included within the term "Liabilities," and all obligations required to be performed by the terms hereof shall be included within the term "Obligations."