

FLORENTINE REALTY CORP. f/k/a FLORENTINE MUSIC & TUTORIAL INC.
(Landlord)

and

ALEXANDER WANG, INCORPORATED
(Tenant)

**FIRST AMENDMENT TO
LEASE AGREEMENT**

Dated: Effective as of April 1, 2018

Block: 195
Lots: 2
County: New York

Property Location: 384-386 Broadway
New York, New York

DOCUMENT PREPARED BY AND WHEN RECORDED, RETURN TO:

Law Offices of Timothy K. Wong, PLLC
33 Bowery, Suite B206
New York, New York 10002
Attention: Timothy K. Wong, Esq.

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT, effective as of April 1, 2018, between **FLORENTINE REALTY CORP. f/k/a FLORENTINE MUSIC & TUTORIAL INC.**, a New York corporation ("Landlord"), having an address of 384 Broadway, New York, New York 10013, and **ALEXANDER WANG, INCORPORATED.** a New York corporation, ("Tenant"), having an address at 386 Broadway, New York, New York 10013.

RECITALS:

A. Landlord and Tenant entered into a lease agreement dated as of March 11, 2008 (the "Existing Lease") relating to the third floor of 386 Broadway, New York, NY 10013 (the "Leased Premises").

B. Landlord and Tenant desire to amend the Existing Lease as hereinafter provided ("Amendment").

AGREEMENT:

1. (a) All capitalized terms used but not defined in this Amendment have the meaning given to them in the Existing Lease.

(b) As used herein, the term this "Lease" shall mean the Existing Lease, as amended by this Amendment.

2. The following terms are hereby amended as follows:

(a) The original definition of "Leased Premises" referring to the "**3rd Floor**" is hereby deleted and the following is hereby inserted in its place:

"Leased Premises" shall mean the entire floors on the Second, Third Fourth, Fifth, Sixth floors and Basement of the building know as 384-386 Broadway in New York County, New York State, Block 195; Lot 2.

(b) The definition of "Lease Term" is hereby amended to include the following language:

"Lease Term" shall mean starting April 1, 2018 and ending March 31, 2020 with no option to renew and no right of early termination.

(c) "Exhibit A" is hereby deleted and removed.

(d) The definition of "Base Rent" is hereby amended to:

Period	Annual Base Rent	Monthly Base Rent	Real Estate Tax	Water & Sprinkler
4/1/2018 - 3/31/2019 ("First Year")	\$1,550,812	\$129,234	As outlined in (f) below	\$400 per floor per month

				floor
4/1/2019 - 3/31/2020 ("Second Year")	\$1,597,336	\$133,111	As outlined in (f) below	\$400 per month per floor

(e) Escalation is Three Percent (3%) at the commencement of each twelve month period.

(f) The definition of "Additional Rent" shall include all prior terms and include the following:

Tenant's share of Real Estate Taxes for each floor shall be equal to: the amount paid for each floor in the previous year plus a proportionate share (14.3% per floor for 2nd through 6th floors, and 7.15% for the basement) of the increase in Real Estate Taxes over the previous year detailed as follows:

Real Estate Tax

Floor	Tenant's share of Real Estate Tax in FY 2017-2018	Tenant's Responsibility for Real Estate Tax	
		2018-2019	2019-2020
3	\$23,401.80	Previous year's amount + 14.3% of 2017-18 increase	Previous year's amount + 14.3% of 2018-19 increase
6	\$17,129.88	Previous year's amount + 14.3% of 2017-18 increase	Previous year's amount + 14.3% of 2018-19 increase
5	\$15,386.88	Previous year's amount + 14.3% of 2017-18 increase	Previous year's amount + 14.3% of 2018-19 increase
Basement	\$12,019.68	Previous year's amount + 7.15% of 2017-18 increase	Previous year's amount + 7.15% of 2018-19 increase
4	\$10,980.48	Previous year's amount + 14.3% of 2017-18 increase	Previous year's amount + 14.3% of 2018-19 increase
2	\$10,980.48	Previous year's amount + 14.3% of 2017-18 increase	Previous year's amount + 14.3% of 2018-19 increase

(g) The responsibility for "Utilities" shall be as follows:

(i) Electricity shall be the responsibility of the Tenant to obtain billing and payment.

(ii) Sprinkler, Water & Sewer: \$400 per floor per month

(iii) Heat: Landlord shall furnish heat from the basement to the floors of the demised premises at point of entry and shall not be responsible for Tenants own improvements which may or may not affect the distribution and temperature of various rooms and offices. Heat shall be furnished when and as required by law, on business days from 8 a.m. to 6 p.m. and on Saturdays from 8 a.m. to 1 p.m. Should tenant request, in writing via email, heating service beyond these designated hours, Tenant shall pay \$225 per calendar day that any additional heating hours are requested and provided.

(iv) Hot Water shall be the sole responsibility of the Tenant including maintenance of any Boilers and other Heating Equipment.

(h) Premises are taken in "As Is" condition and Landlord is not responsible for any consequential damages or expenses relating to any of Tenant improvements.

(i) Landlord currently acknowledges that Landlord is holding Tenant's Security Deposit in the amount of \$105,338. Security Deposit shall be amended to "\$258,469" upon payment by Certified Funds in the amount of \$153,131 which shall be paid upon execution of this Amendment. If such payment is not honored or such payment is not paid upon execution then this Amendment shall be void and Tenant shall be in default of the Lease and Lease Amendment.

(j) "Repairs and Maintenance" shall include the following additional language:

(1) Landlord shall be responsible for maintenance of exterior walls, structure, and roof.

(2) HVAC: Tenant shall be responsible for regular maintenance, operation, and service of HVAC equipment. Notwithstanding anything else in this Amendment the cost of major repairs, such as equipment failure requiring part replacement, shall be reimbursed based on Landlord's consent and discretion.

(3) Passenger Elevator (Elevator device #1P42961): Tenant shall be responsible for cleaning, regular maintenance, service, and operation of Passenger Elevator and payment of associated fees to the elevator service company.

Landlord shall provide \$7,250 per annum towards passenger elevator maintenance costs. The cost of major repairs, such as equipment failure requiring part replacement, shall be reimbursed based on Landlord's consent and discretion.

(4) Elevator (Elevator device #1F1166): Freight Elevator service is provided at Landlord's discretion. At landlord's discretion and with Landlord's written consent, Tenant may use Freight Elevator equipment, provided that Tenant's agents or employees are qualified and adequately covered by workers compensation to operate the elevator equipment. Tenant shall indemnify landlord and be responsible for any costs or liabilities incurred while or resulting from elevator use by Tenant's agents or employees.

(k) "Tenant Work" shall include the following additional language:

Any repairs or improvements exceeding \$10,000 are subject to Landlord's approval. Tenant shall provide to Landlord architectural and engineering plans and specifications, which shall be reviewed at no additional cost to Tenant. Alterations must comply with NYC building codes.

(l) "Signage" shall include the following additional language:

Except to existing, legally installed signs, as of the date of the Amendment of lease, any and all exterior signs shall be subject to consent to by Landlord.

Tenant may place a building directory or signage in the lobby, at Tenant's sole cost.

(m) "Alterations" shall include the following additional language:

Except as currently existing interior legally installed renovation, any new and further renovation shall be submitted to and consented to by landlord; if needed, must obtain NYC Work Permit.

(n) "Trash" shall include the following additional language:

Tenant is responsible for garbage removal and recycling in accordance with current governmental rules, regulations and laws. Any penalties levied on the Landlord as well as any legal fees incurred by the Landlord as a result of Tenants non-compliance, shall be deemed as "Additional Rent" and either shall be paid directly by Tenant or remitted to Landlord upon proof of payment by Landlord.

(o) "Default" shall include the following additional language:

(1) In the event of a Default of Monetary terms, Tenant has 5 days to cure.

(2) In the event of a Default of Non-Monetary terms Tenant has 15 days to cure.

In addition to customary mailing and personal service procedures of providing Notice of Default, Notice of Default can also be provided via email or facsimile.

(p) "Indemnification" shall include the following additional language:

Tenant to indemnify and hold harmless Landlord and defendant Landlord for any claims arising from the use of the Premises and common areas in the building.

(q) "Brokers" shall include the following additional language:

Tenant and Landlord acknowledge that there is no Broker for this Amendment.

(r) "Insurance" shall include the following additional language:

Limits for General liability insurance shall be equal to \$10 million and Fire liability shall be equal to \$10 million and name the Landlord as additional insured. Proof of such insurance shall be provided upon effective date of this Amendment. Failure to obtain such insurance will be deemed a material Default.

(s) "Assignment" shall amend and include the following additional language:

Notwithstanding anything to the contrary this Amendment and underlying lease shall not be assignable.

3. Early Termination:

(a) Tenant may terminate the Lease at any time during the relevant Period of the Lease Term by providing notice to Landlord ninety (90) days' prior to desired Termination Date, and by providing payment of an Early Termination Penalty by certified check on or prior to the Termination date, as follows: (i) First Year: Upon providing notice of Tenant's right to terminate, in addition to the notice period in 3(a), Tenant shall pay a penalty of six (6) months Fixed Rent plus Tenant's share of Real Estate Tax and Water and Sprinkler fees according to Paragraph 2 in effect at the time of Termination Date.

(b) Second Year: Upon providing notice of Tenant's right to terminate, in addition to the notice period in 3(a), Tenant shall pay a penalty of three (3) months Fixed Rent plus Tenant's share of Real Estate Tax and Water and Sprinkler fees according to Schedule 1 in effect at the time of Termination Date. The Early Termination Penalty is independent of any monthly rent due according to Paragraph 2 up until the Termination Date.

(c) Tenant shall vacate the premises by the Termination Date or at the Lease Termination date and Landlord after inspection shall return any Tenant Security Deposit subject to any material damage which shall be agreed upon between Landlord and Tenant. In the event Tenant does not vacate by the Termination Date or Lease Termination Date Tenant shall forfeit the Security Deposit.

3. Except as amended by this Amendment, the Existing Lease and all covenants, agreements, terms and conditions thereof shall remain in full force and effect and are hereby in all respects ratified and confirmed. In the event of any conflicts between this Amendment and the Original Lease and Riders, this Amendment shall govern.

4. This Amendment constitutes the entire agreement among the parties concerning its subject matter. This Amendment shall inure to the benefit of and be binding upon the parties and their respective heirs, successors and assigns. This Amendment may be executed in two or more counterparts and by facsimile each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. This Amendment shall be governed by and construed in accordance with the laws of the State of New York (without giving effect to New York's principles of conflict of laws).

[signatures on following page]

STATE OF NEW YORK)

) s.:
COUNTY OF NEW YORK)


On the _____ day of April in the year 2018 before me, the undersigned, a Notary Public in and for said state, personally appeared Elma Moy, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)

) ss.:
COUNTY OF NEW YORK)

On the 20th day of April in the year 2018 before me, the undersigned, a Notary Public in and for said state, personally appeared Lisa Gersh, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Notary Public

FIANA ROSE KWASNIK
NOTARY PUBLIC-STATE OF NEW YORK
No. 02KW6278166
Qualified in New York County
My Commission Expires 03-18-2021

IN WITNESS WHEREOF, Landlord and Tenant have caused this Amendment to be duly executed under seal as of the day and year first above written.

LANDLORD:

**FLORENTINE REALTY CORP. f/k/w FLOENTINE
MUSIC AND TUTORIAL, INC.**, a New York
corporation

By:

Name: Elma Moy
Title: President

TENANT:

ALEXANDER WANG INCORPORATED,
a New York corporation

By:



Name: LISA GERSH
Title: CEO